

**COUNTY OF MILWAUKEE**  
INTER-OFFICE COMMUNICATION

DATE : October 6, 2005

TO : Milwaukee County Board of Supervisors

FROM : County Board Research Division

SUBJECT: **Overview of County Executive's 2006 Recommended Budget**

Attached is the County Board Research Division's overview of the County Executive's 2006 Recommended Budget. This overview consists of the following five sections:

- 1) **Section 1** is a **General Overview** of the Recommended Budget.
- 2) **Section 2** consists of a spreadsheet that shows **Tax Levy Changes** for each Organizational Unit, comparing the 2006 Recommended Budget with the 2005 Adopted Budget.
- 3) **Section 3** provides a summary of **Major Changes**, including policy changes, proposed by the County Executive in the 2006 Recommended Budget.
- 4) **Section 4** is a listing and brief description of **Additional Issues/Concerns/Questions** noted by County Board staff regarding the proposed budget.
- 5) **Section 5** is the **Capital Improvements** section, which summarizes the capital improvement projects proposed by the County Executive.

This overview should not be construed as a complete and thorough analysis of the Recommended Budget. Although changes in departmental appropriations and revenues are generally clear, the corresponding impact on programs and services is not always as apparent. This overview has been prepared as an initial analysis that highlights the major policy and budget changes proposed by the County Executive and it is intended solely to assist County Board members and other interested parties in their understanding of the budget. The Finance and Audit Committee will begin its formal review of all budgets as a full committee beginning October 7.

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## SECTION 1 - GENERAL OVERVIEW

### **Fiscal Synopsis**

The County Executive's 2006 Recommended Milwaukee County Budget calls for total expenditures of \$1,246,150,622, an increase of \$58,225,688, or 4.9%, over the 2005 Adopted County Budget. The recommended property tax levy is \$225,883,651, the same as the 2005 levy. The recommended tax levy is comprised of two components: debt service levy of \$47,260,744 and operating levy of \$178,622,907. The recommended operating levy would leave the County \$8,168,290 under the new State-imposed tax levy cap.

The tax rate for the City of Milwaukee for general county purposes would be \$4.29 per \$1,000 of assessed value, a decrease of 40 cents from the 2005 rate. Rates for other municipalities will vary and are unknown at this time. The equalized tax rate for Milwaukee County is \$4.11, a decrease of 43 cents from the 2005 Adopted Budget.

The Recommended Capital Improvements Budget includes 64 separate projects at a total cost of \$82.6 million. County financing for those projects totals \$66 million. The 64 projects consist of 54 non-Airport projects at a total cost of \$41.3 million, plus ten Airport projects at a total cost of \$40.8 million. The 54 corporate purpose (non-Airport) projects result in net county financing of \$30.3 million to be financed by \$27.5 million in General Obligation Corporate Purpose bonds, \$750,000 in sales tax revenues, \$350,000 in Passenger Facility Charges (PFC) revenue, \$872,657 in private contributions, \$97,400 in construction fund investment earnings and \$717,386 in property tax levy.

Cash financing in the 2006 Recommended Capital Improvement Budget is \$4.8 million, or 7.4% of net county financing. Cash financing for non-airport projects is \$2.8 million, or 9.2% of net county financing. The County goal for cash financing of capital improvement projects is 20%.

The Recommended Budget uses \$27.5 million in General Obligation bonds for non-Airport projects, a \$2.8 million increase from the 2005 Adopted Budget amount. This amount is \$1.8 million more than the debt management goal established as part of the 2003 debt restructuring. However, it is \$1.4 million less than the goal of \$28.9 million as originally envisioned. *(See Capital Improvements later in Section 1 of the Overview)*

### **Tax Levy/Rate Caps**

The 2006 Recommended Budget brings with it a new state-imposed tax levy cap in addition to the existing tax levy rate cap that was imposed in 1993. The tax levy rate cap imposed in 1993 was the 1992 actual tax rate adopted for the 1993 budget. For Milwaukee County, this resulted in a combined rate of \$5.508 per \$1,000 of equalized value, which includes an operating rate of \$4.084 and a debt levy rate of \$1.424. The tax levy cap adjustment is related to changes in equalized values.

The new tax levy cap, effective July 27, 2005 with passage of the State 2005-07 Biennial Budget, limits the levy increase to the political subdivision's valuation factor. The valuation factor means a percentage equal to the percentage change in the political subdivision's January 1 equalized value due to new construction less improvements removed ("net new construction") between the previous year and the current year but not less than 2%. In other words, Milwaukee County is permitted to increase its tax levy a maximum of the percentage increase of net new construction or 2%, whichever is higher. The 2005 tax levy cap statute language combines debt and operating tax levies and provides some specific exceptions. The one exception applicable for Milwaukee County excludes the change in debt service attributable to debt issued prior to July 1, 2005 from the new cap.

Discussions by County staff and outside bond counsel with the Wisconsin Department of Revenue indicate, at this point, that the exclusion for the change in debt service is based on the gross, not net, change to the debt service budget. This distinction is important to Milwaukee County as its gross debt service (principal and interest) is scheduled to increase \$3.6 million<sup>1</sup>, while the net debt service (factoring in revenues) increases \$11.0 million. The Department of Revenue also reported that the net new construction percentage for Milwaukee County did not exceed 2% (1.77%), therefore the allowable tax levy limit increase is 2%. It should also be noted that counties are required to limit tax levy increases to the levy or rate limit, whichever is more restrictive.

For the 2006 Recommended Budget, the maximum allowable increase to the tax levy is \$8,168,290, or 3.6% above the 2005 Adopted (and 2006 Recommended) Budget, including SEWRPC and Other State Charges. The existing tax levy rate cap imposed in 1993 would have allowed a \$44,659,473 increase above the 2005 Adopted tax levy.

### **Overall Analysis**

It was expected that the County Executive's 2006 Recommended Budget would not raise the tax levy above the previous year's amount, but how that would be accomplished was less clear. To meet the County Executive's pledge of no increase in the overall County tax levy, the 2006 Recommended Budget is balanced primarily on three key policy/fiscal initiatives: 1) a sizable underfunding of the requested pension system contribution, 2) large reductions in Combined Courts staff and related funding, and 3) significant fare increases for regular riders of the transit system. *(Further discussion and analysis of each of these initiatives is outlined later in this section)* The remainder of the 2006 Recommended Budget contains either relatively small changes or maintains the programs and services provided in 2005.

In addition to helping create savings to allow the tax levy to remain frozen at the 2005 amount, these three initiatives may also be included to advance other policy goals. The underfunding of the pension system contribution is accompanied by policy language related to the future structure and size of the employee retirement benefit. The Combined Courts position and funding cuts, at the level proposed by the County Executive, would certainly energize the debate between the State and County over responsibility for court funding. The County Executive has also advocated for an alternative source of aid for the Transit System, which includes a portion of sales tax collection on automobile-related purchases. Still, it is quite clear that these proposals are mostly being used to address short-term 2006 issues and, above all, to freeze or lower the 2006 tax levy, not to deal with long-term issues.

It should be noted that the County Executive proposes to "freeze" the tax levy to the 2005 *Adopted amount*, which represents an increase of approximately \$6.4 million over 2004. Therefore, the proposed tax levy for 2006 acknowledges that the increase approved for 2005 was necessary and reasonable to properly provide County programs and services.

In the past, the County Executive has made a compelling case that Milwaukee County has a "structural deficit problem," in which on-going obligations exceed on-going anticipated revenues. Indeed, the structural deficit has grown considerably over the past few years as both the tax levy and state aid have been cut or frozen and employee fringe benefit costs have skyrocketed. The alternatives to fixing this alarming trend are mostly limited to cutting programs and services, raising taxes or fees, securing additional state or federal aid and reducing labor costs through negotiations with County unions. Given

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<sup>1</sup> The actual change in principal and interest payments between 2005 and 2006 is \$3,470,875 and is displayed in Org. Unit 9960 – General County Debt Service. An adjustment of \$144,932 is added to this amount due to principal and interest payments associated with a State Trust Fund loan for equipment included in the 2005 Adopted Budget.

this context, County Board members may want to weigh the impact of the 2006 Recommended Budget on the County's on-going structural deficit problem.

Our analysis of the County Executive's Recommended Budget indicates that many of the difficult choices needed to correct or improve the structural imbalance have been ruled out or simply postponed. Moreover, the Recommended Budget creates new and even greater budget problems for future years that cannot be realistically sustained given what known fiscal challenges lie ahead. These challenges include: rising employee (including retirees) fringe benefit costs, primarily for health care and pension system contributions; stricter accounting for Other Post Employment Benefit (OPEB) liabilities, and rising debt service costs. These challenges are heightened by: flat or reduced state aid coupled with a lack of mandate relief; deferred maintenance obligations; loss of significant power plant revenue; escalating energy costs and long-term support agreements sought by County cultural institutions. (*See Future Cost section later in the Overview*)

The Recommended Budget includes funds for cost of living adjustments for represented and non-represented employee wages, contingent on the acceptance of employee cost sharing changes to the health care benefit that would yield additional savings. Specifically, the budget includes in a new non-departmental account (Org. Unit 1972 – Wage Supplemental Account) \$6.5 million for wage increases that average 3% for 2006, offset with \$11.6 million in new revenues associated with premium, co-pay and deductible changes to the employee/retiree health care benefit. The net "savings" of \$5.1 million is earmarked for the Appropriation for Contingencies account. It should be cautioned that, to the extent that changes to the health care benefit are not realized, funds to provide a 3% cost-of-living adjustment to employees will not be available. Although health care changes (and related savings) can be budgeted for non-represented employees with certainty, represented employees' pay and health care changes will be subject to collective bargaining negotiations. Since this is an uncertain process, the 2006 Recommended Budget will be adversely impacted if final union agreements include an increase in represented employee pay rates without any commensurate offset in other expenditures or new revenues.

The impact of failing to meet budgeted expenditures and revenues, such as those discussed herein, becomes apparent when considering the Surplus (or Deficit) from Prior Year Budget. This budget, however, reflects approximately a \$2 million positive tax levy impact that assisted in the development of the 2006 spending plan. This represents the difference, or improvement, between the 2003 year-end deficit of \$3.5 million and the 2004 deficit of \$1.5 million. Any significant deficit resulting from failure to meet budgeted expenditures and revenues in 2006 could have the opposite effect – a negative impact on the development of the 2008 budget.

A more in-depth analysis of the three major fiscal policy initiatives recommended by the County Executive is as follows:

❑ **Pension System Underfunding**

The process of determining the annual pension system contribution begins with the Pension Board and an actuarial analysis of the assets and liabilities of the Employees' Retirement System (ERS). Early in the year, the Pension Board receives an actuarial analysis of the funding contribution level necessary to meet the obligations of the ERS, based on numerous assumptions and amortization periods. The Pension Board subsequently recommends to the County Board an amount that should be included in the following year budget to meet the needs of the ERS. The process this year was notable because the Pension Board recently adopted a change to the assumed rate of investment return from 8.5% to 8.0%. This action resulted in a significant increase to the anticipated pension system contribution for 2006.

The Committee on Finance and Audit forwarded the Pension Board's recommendation to the County Executive and back to the Pension Board for possible reconsideration in light of a staff report indicating that the change in the assumed rate of investment return may have been unnecessary given historical data. The Pension Board has chosen not to reconsider its decision at this time, therefore, the assumed rate of investment return for the calculation of the 2006 pension system contribution remains at 8.0%.

The table below outlines the pension system contribution at the 8% and 8.5% assumed rates of investment return.

**2006 Pension System Contribution**  
(excluding OBRA contribution)

Assumed Rate of Investment Return:	<u>8.0%</u>	<u>8.5%</u>
Normal Cost	\$21,489,000	\$19,200,000
Unfunded Liability	<u>\$24,444,000</u>	<u>\$19,282,000</u>
Total:	\$45,933,000	\$38,482,000
CEX Recommended Pension Contribution (to fund normal cost @ assumed rate of 8.5%)	\$19,200,000	\$19,200,000
Underfunding of Req. Pension Contribution	(\$26,733,000)	(\$19,282,000)

Essentially, the County Executive's 2006 Budget recommends funding only the "Normal" cost portion of the pension liability (and at an assumed rate of 8.5%, not 8% as adopted by the Pension Board), and ignores the "Unfunded Liability" of \$24,444,000. This selective determination creates a double "hit" on the pension fund and results in a built-in budget shortfall of \$26,733,000.

The pension system contribution recommended by the County Executive is not based on any actuarial analysis of lower future pension obligations for the County.

The County Executive also recommends the creation of a County Executive Advisory Committee on Pensions in 2006 "for the purpose of investigating and recommending possible future pension models and funding mechanisms. The Advisory Committee will consider transitioning the current pension system from a defined benefit system to a defined contribution, as well as determining a proper employee pension contribution." The County Executive also restates his pledge to rescind the benefit enhancements adopted in 2000, specifically to reduce the pension multiplier from 2% to 1.6%.

Under current pension system contribution policies, contribution variances are amortized over a five-year period. The County Executive's 2006 Budget suggests that the County Board adopt a policy of amortizing contribution variances over a 30 rather than five-year period. Based on previous legal opinions, the Pension Board has jurisdiction to determine the assumed rate of investment return, while the County Board can change the various amortization periods used to calculate contributions to the pension system. Although the Pension Board can request a certain contribution to the pension system, it is the prerogative of the County Executive and County Board to determine how much will be appropriated to the pension system each year.

Underfunding the Pension Board's recommended pension system contribution can have severe consequences that impact the near and long-term fiscal stability of the County. Under the current policy of amortizing pension contribution variances, the County will have to repay the shortfall (\$26.7 million) at an 8% assumed rate of interest over the next five years. This repayment, coupled with annual pension

contributions that are expected to remain around the Pension Board's 2006 requested amount, could overwhelm the County's ability to properly fund the pension system. Continuing to underfund the annual pension system contribution will undoubtedly lead to an increase in the unfunded liability. (Increasing the amortization period for contribution variances to 30 years would only increase this liability for the future.) An actuary is needed to calculate the potential unfunded liability based on multiple factors that impact this figure.

❑ **Combined Court Operations Budget Reductions**

The County Executive's 2006 Recommended Budget includes a substantial reduction in tax levy-funded support for State Court Services in Milwaukee County. In Org. Unit 2000 – Combined Court Related Operations, tax levy funding is reduced \$4,422,739 (15.5%) to \$24,101,156, including the elimination of 81 positions, representing 79.25 full-time equivalents. Among the Department-wide support staff eliminated are 11.5 Clerical Assistants, 18 Deputy Court Clerks, 10 Court Commissioners, nine Legal Research Interns, and seven Office Support Assistant 2 positions.

In the County Funded State Court Services Division, an analysis of courtroom activity data by Department of Administrative Services – Fiscal Affairs staff results in a recommendation to abolish 52 courtroom positions and 17 bailiff posts. The courtroom positions eliminated are three Administrative Assistant 3 (Crts. Admin.), one Administrative Court Commissioner, one Assistant Chief Deputy CCC (Civ. Adm.), one Assistant Chief Deputy Clerk SN AD, 11.5 Clerical Assistant 1, three Clerical Assistant 2, 18 Deputy Clerk Court Judicial Assistant, two Fiscal Assistant 1, nine full-time Court Commissioners, 0.5 Legal Counsel (Criminal), one Management Analyst and one Secretary (NR). The budget narrative implies that courtroom activity can be maintained at current levels through a more efficient deployment of support staff.

Supervisors should be aware that there are potential near-term implications for Milwaukee County associated with these actions. First, while the County Executive's 2006 Recommended Budget assumes no change in courtroom activity due to the reductions, it is conceivable that the Courts may experience a backlog in case processing if adequate support staff is unavailable. If processing in the criminal courts slows, there may be an adverse effect in the daily inmate population at the Criminal Justice Facility (CJF). When the CJF reaches capacity, overflow inmates are transferred to the House of Correction, which may have to open more dormitory space to accommodate the overflow. The budget for the House of Correction includes savings based on having six dorms closed for the year. In the event additional dorms are opened, the cost to the County is more than \$33,000 per month per dorm. If the Courts are able to allocate sufficient resources to criminal cases, the potential for backlogs shifts to the Civil, Family and Children's Courts, affecting a broader segment of the population.

On an intergovernmental level, the budget recommendations reflect a strategic shift in addressing the perpetual problem of underwriting the mandate that directs counties to fund court services. The State Court Support Grant was designed to alleviate counties' burdens in funding courts services. However, the grant has funded only a small percentage of County costs and has been relatively flat over the past five years at around \$3.6 million. The balance has been funded through the County property tax levy at increasing levels as illustrated in the following table.

Combined Court					
Related Operations	<u>2002 Actual</u>	<u>2003 Actual</u>	<u>2004 Actual</u>	<u>2005 Budgeted</u>	<u>2006 CEX</u>
Property Tax Levy	\$23,860,377	\$26,517,465	\$27,636,590	\$28,523,895	\$24,101,156

In both 2004 and 2005, the County renewed attempts to secure funding for the Courts through various petitioning efforts. The State chose not to fulfill the County's request. This was extremely disappointing, given that voters overwhelmingly sent a message to the State in 2004 through a State-wide advisory referendum that the State should pay for its mandated Court costs. For 2006, the position actions and tax levy reduction contained in the County Executive's Recommended Budget demonstrate less reliance on petitioning efforts in favor of attempting to control expenditures through presumed efficiencies.

❑ **Transit System Fare Increase and Funding Issues**

The 2006 Recommended Budget increases transit fares for the fourth time in six years. Specifically, fares increase significantly for the various categories of passes and tickets which focus on the Transit System's most regular riders. Various other fare increases took effect in 2001, 2002 and 2004. Prior to the fare increase in 2001, transit fares remained stable from 1996 to 2000. The following table illustrates the recent history of transit fare increases:

<b>Fare Type</b>	<b>1996 to 2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
Adult Cash	\$ 1.35	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.75	\$ 1.75	\$ 1.75
Adult Weekly Pass	\$ 10.50	\$ 11.00	\$ 12.00	\$ 12.00	\$ 13.00	\$ 13.00	\$ 16.00
Adult Ticket (10)	\$ 10.50	\$ 11.00	\$ 12.00	\$ 12.00	\$ 13.00	\$ 13.00	\$ 16.00
Children Age 6 to 11/ Senior/Handicapped (Half Fare)	\$ 0.65	\$ 0.75	\$ 0.75	\$ 0.75	\$ 0.85	\$ 0.85	\$ 0.85
Children's/Senior/ Handicapped Ticket (10) (Half Fare)	\$ 6.50	\$ 7.50	\$ 7.50	\$ 7.50	\$ 8.50	\$ 8.50	\$ 8.50
Student with Permit	\$ 1.00	\$ 1.00	\$ 1.10	\$ 1.10	\$ 1.30	\$ 1.30	\$ 1.30
Student Ticket (10)	\$ 9.00	\$ 9.00	\$ 10.00	\$ 10.00	\$ 11.00	\$ 11.00	\$ 13.00
Student Regular Weekly Pass	\$ 9.00	\$ 9.50	\$ 10.00	\$ 10.00	\$ 11.00	\$ 11.00	\$ 13.00
Student Special Weekly Pass	\$ 9.00	\$ 9.50	\$ 10.50	\$ 10.50	\$ 11.50	\$ 11.50	\$ 14.00
U-PASS	\$ 31.00	\$ 33.00	\$ 35.00	\$ 35.00	\$ 38.00	\$ 38.00	\$ 44.00
Commuter Value Pass	\$ 105.00	\$ 111.00	\$ 117.00	\$ 117.00	\$ 126.00	\$ 126.00	\$ 155.00
Freeway Flyer	fare + .25	fare + .30	fare + .30	fare + .30	fare + .30	fare + .30	fare + .50
Flyer Tickets	\$ 13.00	\$ 14.00	\$ 15.00	\$ 15.00	\$ 16.00	\$ 16.00	\$ 19.00

A 1991 American Passenger Transport Association (APTA) study entitled, "Effects of Fare Changes on Bus Ridership" found that, on average, a 10 percent increase in bus fares would result in a 4 percent decrease in ridership. In essence, the intended effect of raising revenue by raising fares is undermined by an overall loss of ridership. Transit passengers with limited mobility choices will eventually have to pay the increased fares, however, choice riders who have other mobility options will weigh the fare increases relative to the cost of other transportation options, or may react negatively to increased fares and choose another mode of transportation.

The Milwaukee County Transit System has realized the effects of fare increases in lost ridership. The following table illustrates the significance of fare increases on ridership:

<b>Year</b>	<b>Revenue Ridership</b>	<b>Percent Change</b>
1996	49,698,882	1.6%
1997	51,681,105	4.0%
1998	53,476,379	3.5%
1999	53,889,111	0.8%
2000	52,855,750	-1.9%
2001	51,306,441	-2.9%
2002	48,455,302	-5.6%
2003	47,952,308	-1.0%
2004	46,585,331	-2.9%

The table shows that transit ridership increased during the years when fares remained stable. However, once transit fares increased, transit ridership began to decline. Of particular note is the large percentage drop occurring in 2002. The 2002 Budget held adult cash fares steady but raised adult pass and ticket fares by \$1. Most regular transit riders use the adult pass and ticket fare options due to the convenience and the discount relative to the cash fare rate. Should regular transit riders choose adult cash fare over tickets and passes, boarding times will increase and equipment failures will become more regular. It should be noted that the current fare boxes used on MCTS vehicles were installed in 1986 and replacement parts are no longer available.

The County Executive's Budget indicates that transit fares have increased as a result of increased fuel costs. In 2005, Transit's fuel budget was optimistically set at \$1 a gallon even though fuel prices from July to December of 2004 averaged \$1.29. By February of 2005, fuel had risen to \$1.37 and continued to climb through 2005. Currently, fuel prices are above \$2 a gallon and are estimated on the futures market at \$2.1325 for January of 2006. Transit's fuel budget did not reflect actual market conditions from the onset of 2005 and, subsequently, was never adjusted. These conditions have led to a \$4,060,000 shortfall in Transit's fuel budget for 2005 which is being adjusted for by levying a fare increase on nine various fare payment options used mainly by regular transit riders.

Beyond the three significant fiscal/policy issues outlined above, there are other items in the 2006 Recommended Budget worth highlighting. These include:

❑ **General Assistance - Medical Program (GAMP)**

GAMP again avoids any reduction in services or funding due to an agreement reached in September 2005 wherein four GAMP-affiliated hospital systems renewed and expanded their pledge to contribute to the cost of County programs. For 2006, the hospitals agreed to provide:

Expanded Contribution for 2006

• Additional GAMP Eligibility Staff Costs	\$325,000
• WPS Claims Processing/Fiscal Services Contract	<u>\$1,225,000</u>
Total New Commitment for 2006:	\$1,550,000

Continuation of 2005 Pledge

• BHD – 16 Crisis Respite Beds	\$500,000
• GAMP Home Health Care Services	\$301,168
• Four Out-stationed GAMP Eligibility Workers	\$244,080
• GAMP Nurse Call Line (Aurora Only)	\$65,000
• CHP Occupational Health Services (Aurora Only)	<u>\$80,000</u>
Total 2005 Pledge Continuation	\$1,190,248
<b>Total Commitment for 2006:</b>	<b>\$2,740,248</b>



The expanded relationship provides additional funding in 2006 of \$325,000 for GAMP eligibility staff costs and \$1,225,000 for claims processing and fiscal services contract. Based on experience, this commitment has relieved pressures at area hospital emergency rooms and renews the program's focus on clinic-based treatment as opposed to crisis and emergency room care. The total value of the agreement for the County in 2006 is approximately \$2.7 million.

The hospitals and County Executive mutually agreed that the commitment on both sides is for two years (2006 & 2007), pending recommendations from the Health Care Policy Task Force regarding a potential new long-term fiscal structure for GAMP. A written Memorandum of Agreement is still being formulated, according to DHHS staff.

#### ❑ **Reduction in Funded Positions**

The 2006 Recommended Budget continues the trend to reduce the number of funded positions in order to reduce the tax levy. The 2005 Adopted Budget included 6,110 funded full-time equivalent (FTE) positions. The 2006 Recommended Budget includes 5,978 funded FTE's, a reduction of 131 from the 2005 amount. The Department of Administrative Services has not yet calculated how many layoffs may occur due to position abolishments. Many of the funded position reductions in the 2006 Recommended Budget are contained in the Combined Court Related Operations Budget. *(See additional discussion on Combined Courts above in the Overview)*

#### Major Areas of Expenditure Increases/Revenue Decreases

- **Employee Health Benefits.** The cost of providing health insurance to County employees and retirees grows by \$13 million, or 11.6%, from \$112.1 million to \$125.1 million. This appropriation is based on the new contractual agreement with Wisconsin Physicians Service (WPS) to administer the County's health care benefit. It should be noted that changes made to employee premiums, co-pays and deductibles resulting from the acceptance of new labor agreements is expected to further reduce this cost. These expenditure offsets are reflected in a new non-departmental budget, Org. Unit 1972 – Wage Supplemental Account, totaling \$11.6 million.
- **Earnings on Investments.** This revenue account is expected to decrease \$1.3 million, from \$5.5 million to \$4.2 million, based on a lower average daily balance available for investment. This reduction is partially offset with a slight increase in the expected rate of interest.
- **Land Sales.** Revenue from land sales decreases \$2.3 million, from \$5 million to \$2.7 million. Gross land sales are budgeted at \$3 million, but \$300,000 is earmarked for the Economic and Community Development budget to offset the cost of new positions.
- **Human Resource and Payroll System.** A new non-departmental account (Org. Unit 1921) has been established to reflect expenditures of \$3.6 million in 2006 for a fully hosted payroll, human resources, and benefits management service. This appropriation includes \$2.3 million in one-time implementation costs and \$1.3 million in annual operating costs for nine months of 2006. Under the new Human Resource Information System (HRIS), Milwaukee County employees will use online self-service tools to report their time and change benefits.

### Major Areas of Expenditure Decreases/Revenue Increases

- **Retirement Sick Allowance Payments.** This account is discontinued for 2006. An appropriation of \$1.8 million was included for 2005 to cover sick allowance payments made to retiring employees for small departments.
- **Sales Taxes.** Total County Sales and Use Tax revenue is expected to increase \$1,975,690 (3.1%), from \$63,452,910 to \$65,428,600. This amount represents a 7% increase over the 2004 actual. It should be noted that the Org. Unit 1900-2903 Sales Tax Budget indicates a \$2,247,760 increase in sales tax revenue for 2006. This amount is shown for presentation purposes only, as \$750,000 in sales tax revenue is contained in Org. Unit 9960 – Debt Service as cash financing of capital improvement projects and cannot be counted twice. Cash financing of capital improvement projects with sales tax revenue is reduced \$272,070 in 2006, from \$1,022,070 to \$750,000.
- **Other Miscellaneous Revenue.** This account anticipates a \$700,000 increase, from \$40,000 to \$740,000, based on the closing of five tax incremental financing districts in the City of Milwaukee.
- **Unclaimed Money.** Revenue from unclaimed money is expected to increase \$333,877, from \$1,008,432 to \$1,342,209. The Treasurer administers not yet claimed funds that are booked to the County general coffers after one year. Typically this revenue is receipted in even-years. The 2005 revenue was primarily due to Child Support funds that should have been booked in 2003 but were not due to the failure to meet certain legal requirements.
- **Medicare Part D Revenue.** A new non-departmental account (Org. Unit 1969) is created for 2006 for Medicare reimbursement revenues. Under the Medicare Prescription Drug Improvement and Modernization Act of 2003 and implementing regulations of 42 C.F.R. subpart R, plan sponsors (employers, unions) who offer prescription drug coverage to their qualified covered retirees, are eligible to receive a 28% tax-free subsidy for allowable drug costs. Because this is a new Federal program, formulas and benefit levels remain uncertain. The budget includes \$2,639,936 in Medicare Part D revenues that are earmarked for the Appropriation for Contingencies - Org. Unit 1945. To the extent that these revenues are not achieved, it lowers the amount of funds that will be available in the Appropriation for Contingencies to cover other shortfalls.

### Departmental Highlights and Initiatives

- **Corporation Counsel.** The Office of Corporation Counsel adds two staff attorneys and a legal secretary to address real estate sales and open records issues. As referenced in the 2006 Recommended Budget, the real estate attorney will address the two land sale items listed under Org. Unit 1192 – Department of Administrative Services – Economic and Community Development and is funded via crosscharges to that division.
- **Department of Administrative Services – Information Management Services Division.** The DAS-IMSD budget abolishes four vacant positions and creates one new position of Business Analyst. The budget anticipates approval by the Milwaukee County Automated Land Information System (MCAMLIS) Board to fund one Network Applications Specialist dedicated to the Register of Deeds Office. This position will help develop and maintain a computerized index of land records for internet viewing.

An appropriation of \$300,000 is included for contractual services to support “legacy” systems in the County. This will allow IMSD the ability to hire new staff, upon position vacancies, that have skill sets that are better aligned with new technology and platforms. The 2006 Recommended Budget for DAS-IMSD also includes funding to outsource first level help desk functions. Similarly, departments relocating to another location will be required to secure outside assistance to move technology infrastructure. These initiatives will allow existing staff to be deployed to perform other duties.

It is anticipated that IMSD will move the mainframe and other related equipment from Schlitz Park to space owned by the City of Milwaukee. A lease agreement was approved in 2005. This will continue the collaboration with the City on website development and other e-government issues.

- **Department of Administrative Services – Economic and Community Development Division.** The Personal Services account is increased by \$182,927 due primarily to funding 2.5 additional positions. The Real Estate Section has the following notable changes:
  - The addition of a Real Estate Assistant position and a crosscharge for a new Real Estate Attorney position in the office of the Corporation Counsel.
  - New revenues of \$300,000, which represents a 10 percent service charge on the county’s estimated land sales of \$3 million.
  - Net parking revenue is expected to increase by \$275,000 to \$825,000, adjusting for 2005 experience.

The Community and Business Development Section, which administers Community Development Block Grant (CDBG) funds, also administers the Economic and Community Development Reserve Fund. This fund is budgeted at \$50,000, which is the same amount provided in the 2005 Adopted Budget. This section will also undertake three studies: (a) a study of the efficiency of the county’s golf courses (\$50,000), (b) a study on behalf of the Behavioral Health Division to identify potential alternative locations for its inpatient, crisis and nursing home operations and/or to house its administrative and program staff (\$50,000), and (c) a study of regional growth initiatives with the Greater Milwaukee Committee (\$25,000).

- **Combined Court Related Operations.** The 2004 Adopted Budget anticipated approximately \$3 million in reimbursement from the State for Guardian ad litem (GAL) fees. Due to the State’s unwillingness to fund the reimbursement at this level, reimbursement revenue was reduced in the 2005 Adopted Budget to approximately \$2 million. The 2006 Recommended Budget again recognizes the lack of reimbursement revenue from the State for GAL fees and reduces the revenue projection to \$900,000 to better reflect actual experience. *(Other significant actions associated with Combined Court Related Operations are discussed above in the Overview)*
- **Office of the Sheriff / House of Correction.** Subsequent to the publication of the County Executive’s 2006 Recommended Budget, the State informed the Sheriff and the Superintendent of the House of Correction that the State intends to end the agreement whereby the Sheriff and the HOC were compensated for housing State inmates who were nearing their release date. While both departments will lose revenue, the transition will likely permit the HOC to close an additional dormitory, thereby reducing expenditures. Discussions with the State are ongoing.

- **DPPI – Parks Division.** The 2006 Recommended Budget proposes the transfer of the Architecture, Engineering and Environmental Services (A&E) section and Facilities Management to the Director's Office of the Department of Parks and Public Infrastructure. The Landscape Architects will continue to be housed in the Parks Administration building but will receive general supervision from the Resident Contract Manager in A&E.

The budget also recommends that the Parks Superintendent maintain authority over setting parks fees. The budget, as in 2005, does not include a fee schedule. The elimination of a County Board approved fee schedule raises concerns about accountability, consistency and proper public review.

- **DPPI – Director's Office.** The 2006 Recommended Budget proposes a change to the organizational structure to the Department of Parks and Public Infrastructure. The oversight authority of the Architectural, Engineering, and Environmental Services Division and the Facilities Management Division will move from the Parks Division to the DPPI Director's Office. Landscape Architects will remain at the Parks Administration building and will report to the Resident Contract Manager in the AE&ES Division. The rationale for this move is to allow the Parks Division to focus on its primary goals and objectives as a direct service provider to the public. The Director's Office is in the process of raising the profile of the security operations and will continue these efforts in 2006. Several managerial, operational, training, and equipment initiatives will take place in 2006 to carry out this goal.
- **Health and Human Services.** Aside from the preservation of GAMP, there are few major changes in the health and human service budgets. Some significant features are as follows:

DHHS Behavioral Health Division. The budget reflects the closure of one unit (23 beds) at the Hilltop Intermediate Care Facility and a 2005 management restructuring initiative.

Aging. The Family Care CMO budget anticipates a 2006 surplus of \$3,234,106 based on program improvements, half of which will repay the County for past deficits and half of which will be placed in a reserve for the CMO.

Department of Health and Human Services. Highlights include a \$1.6 million reduction in Juvenile Corrections charges due to reduced projected census in State and other institutions, a \$3.2 million increase in client services revenue in the Disabilities Services Division, increased Child Day Care revenue in the Economic Support Division and lease savings resulting from the move of DHHS offices to the Marcia P. Coggs Human Services Center.

### **Future Costs/Fiscal Constraints**

The 2006 County Budget will not only be a one-year plan. As with any budget, it will set the context for future budgets and the County's overall future financial outlook. A number of fiscal and policy considerations should be kept in mind as policymakers determine the best way to position the County for the next several years. In addition to the underfunded pension obligation cited in this report, which could have a huge impact on future financial obligations, the following factors also will need to be taken into account.

- ❑ Future actuarially defined pension costs beyond those addressed or not addressed in the 2006 Budget.
- ❑ Pending and future labor agreements, including changes in pay scales, benefits and other provisions.

- ❑ Other Post Employment Benefit (OPEB) obligations, particularly the unfunded health care liability for retirees, which are substantial and will need to be accounted for in future years.
- ❑ The continued State underfunding of its mandated programs, of which the Court system is the most obvious example.
- ❑ The future impact of deferred maintenance on the County's infrastructure and on the County budget.
- ❑ The future of the GAMP program. Hospitals have committed to significant funding of GAMP and mental health expenses in 2005, 2006 and possibly for 2007, but what is anticipated for future years?
- ❑ The future funding of parks, recreation and culture programs, and the Transit System, each of which has been the subject of proposals for alternative funding to take them off the property tax.
- ❑ Reduced budgeted revenue streams in future years, such as the revenue from the sale of the County Power Plant, projected to decrease by \$2.3 million in 2007.
- ❑ The future of long-term support of recreational and cultural institutions currently owned and, in many cases, operated by the County. These include the Milwaukee Public Museum, the Zoo (with no reflection in this budget of past discussions to change the relationship with the Zoological Society), the War Memorial Center and other facilities and institutions.

Clearly, visionary thinking and discussion will need to take place in examining these and other issues which will have a tremendous bearing on County operations. And they will have to take place in the overall context of the next several generations of County citizens.

### **Capital Improvements Program**

The 2006 Recommended Capital Improvements Budget includes 64 separate projects at a total cost of \$82.6 million. County financing for those projects totals \$66 million. The 64 projects consist of 54 non-Airport projects at a total cost of \$41.3 million, plus 10 Airport projects at a total cost of \$40.8 million. The 54 corporate purpose (non-Airport) projects result in net county financing of \$30.3 million to be financed by \$27.5 million in General Obligation Corporate Purpose bonds, \$750,000 in sales tax revenues, \$350,000 in Passenger Facility Charges (PFC) revenue, \$872,657 in private contributions, \$97,400 in construction fund investment earnings and \$717,386 in property tax levy.

Cash financing in the 2006 Recommended Capital Improvements Budget is \$4.8 million, or 7.4% of net county financing. Cash financing for non-airport projects is \$2.8 million, or 9.2% of net county financing. The County goal for cash financing of capital improvement projects is 20%. The 2005 Adopted Capital Improvements included total cash financing of 16.8%, and 5.3% for non-airport projects.

In 2003, the County Board adopted a change in the County's debt management goal in conjunction with the major debt restructuring to restrict future borrowing. In effect, this policy limits 2005-2007 borrowing to an increase of no more than \$1 million over the previous year's corporate purpose bond amount. In addition, the corporate purpose bond amount for 2008 would be set at a not-to-exceed amount of \$30 million, and future not-to-exceed amounts would increase by 3 percent over the previous year's bond amount. The Recommended Budget uses \$27.5 million in General Obligation bonds for non-Airport projects, a \$2.8 million increase from the 2005 Adopted Budget amount. This amount is \$1.8 million more than the debt management goal established as part of the 2003 debt restructuring. However, it is still \$2.5 million less than the not-to-exceed goal of \$30 million for 2008 as originally envisioned.

The 2006 Recommended Capital Improvements Budget adds a couple of significant airport improvement projects, but continues the trend of a reduced capital program. The following briefly summarizes a few of the capital projects in the Recommended Budget: *(See Section 5 of the Overview for a complete listing of the Capital Improvement projects)*

- Ten capital projects are scheduled for General Mitchell International Airport at a total cost of \$40.8 million. This includes \$24 million for the **C Concourse Gate Expansion-Construction** and \$9.3 for **Concourse E Stem Remodeling and Electrical Service Upgrade**. The \$40.8 million in total expenditures for the 10 Airport projects are offset with \$5.1 million in Airport reimbursement revenue resulting in net County financing of \$35.7 million. This amount includes \$33.6 million in General Airport Revenue Bonds (GARB's) and \$2.1 million in Passenger Facility Charges (PFC) revenue bonds and/or pay-as-you-go PFC financing.
- An appropriation of \$1.5 million is included for **On-Bus Camera Systems** to purchase 315 on-bus camera security systems. Federal Congestion Mitigation Air Quality Improvement Revenue (CMAQ) will offset 80% of the total cost.
- An appropriation of \$1,314,500 is included for **Bradford Beach Storm Water Outfalls Relocation**. This will allow for the relocation of storm water outfalls to help reduce e-Coli bacteria levels on the beach.
- A tax levy appropriation of \$600,000 is included in the Capital Improvements Budget for structural repairs and painting of the **Mitchell Park Domes**.
- An appropriation of \$990,496 is included for **Park Infrastructure Improvements**. An appropriation of \$299,400 is included to continue the **Countywide Play Area Redevelopment Program**.
- An appropriation of \$5.2 million is included for **Courthouse Annex Demolition and Parking Lot Construction**. The budget narrative indicates that the Wisconsin Department of Transportation (WisDOT) may agree to pay up to \$5.8 million of the \$6.8 million in total costs for this project. The County Board approved a resolution in July 2005 that, among other things, required the State to renew its earlier pledge to dedicate the Federal share of Park East land sale proceeds to offset the County's costs to remove the Annex and relocate parking.

Remaining sections of this Overview present a more detailed explanation of major budget changes, issues and concerns and capital improvement projects.

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## SECTION 2 - TAX LEVY CHANGES IN 2006 COUNTY EXECUTIVE RECOMMENDED BUDGET

<u>Org. Unit</u>	<u>Org. Name</u>	<u>2005 Adopted</u>	<u>2006 County Exec.</u>	<u>Levy Change</u>	<u>% Change</u>
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### REVENUES

1900-1850	Earnings on Investments	\$ (5,508,158)	\$ (4,230,000)	\$ 1,278,158	23.20%
1900-2201	State Shared Taxes	\$ (37,130,288)	\$ (37,098,572)	\$ 31,716	0.09%
1900-2202	State Exempt Computer Aid	\$ (3,033,203)	\$ (2,688,730)	\$ 344,473	11.36%
1900-2903	County Sales Tax Revenue	\$ (62,430,840)	\$ (64,678,600)	\$ (2,247,760)	-3.60%
1900-4904	Excess Power Plant Revenue	\$ (2,701,324)	\$ (2,656,880)	\$ 44,444	1.65%
1900-4970	Surplus/Deficit from Prior Year	\$ 3,553,990	\$ 1,573,366	\$ (1,980,624)	55.73%
1900-4999	Other Misc. Revenue	\$ (40,000)	\$ (740,000)	\$ (700,000)	-1750.00%
1901-4980	Unclaimed Money	\$ (1,008,332)	\$ (1,342,209)	\$ (333,877)	-33.11%
1933	Land Sales	\$ (5,000,000)	\$ (2,700,000)	\$ 2,300,000	46.00%
1937	Potawatomi Revenue**	\$ (2,611,477)	\$ (3,111,477)	\$ (500,000)	-19.15%
1969	Medicare Part D Revenue	\$ -	\$ (2,639,936)	\$ (2,639,936)	100.00%

\*\*An additional \$1,388,523 is budgeted in DHHS (same as 2005) for a total of \$4.5 million in Potawatomi revenue for 2006.

TOTAL REVENUES	\$ (115,909,632)	\$ (120,313,038)	\$ (4,403,406)	-3.80%
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### EXPENDITURES

#### Non-Departmental

1905	Ethics Board	\$ 57,817	\$ 57,655	\$ (162)	-0.28%
1908	Milwaukee Cty. Historical Society	\$ 242,550	\$ 242,550	\$ -	0.00%
1912	Visit Milwaukee	\$ 25,000	\$ 25,000	\$ -	0.00%
1913	Civil Air Patrol	\$ 9,500	\$ 9,500	\$ -	0.00%
1914	War Memorial Center	\$ 1,311,636	\$ 1,433,462	\$ 121,826	9.29%
1915	Villa Terrace/Charles Allis	\$ 243,656	\$ 243,656	\$ -	0.00%
1916	Marcus Center for the Performing Arts	\$ 1,280,000	\$ 1,280,000	\$ -	0.00%
1921	Human Resource and Payroll System	\$ -	\$ 3,596,000	\$ 3,596,000	100.00%
1939	Retirement Sick Allowance Payments	\$ 1,836,000	\$ -	\$ (1,836,000)	-100.00%
1945	Appropriation - Contingencies	\$ 4,417,022	\$ 12,210,058	\$ 7,793,036	176.43%
1950	Employee Fringe Benefits	\$ -	\$ -	\$ -	0.00%
1961	Litigation Reserve Account	\$ -	\$ 250,000	\$ 250,000	100.00%
1966	Federated Library System	\$ 66,648	\$ 66,651	\$ 3	0.00%
1972	Wage Supplement Account	\$ -	\$ (5,100,000)	\$ (5,100,000)	100.00%
1974	Fund for the Arts	\$ 352,688	\$ 352,688	\$ -	0.00%
1985	Capital Outlay/Depreciation Contra	\$ (18,685,271)	\$ (14,592,703)	\$ 4,092,568	21.90%
1900-6503 *	Bank Service Fees	\$ -	\$ 190,000	\$ 190,000	100.00%
1900-8026	Debt Issue Expense	\$ 11,500	\$ 11,500	\$ -	100.00%

NON DEPARTMENTAL SUBTOTAL	\$ (8,831,254)	\$ 276,017	\$ 9,107,271	-103.13%
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#### Departmental

#### Legislative & Executive

1000	County Board	\$ 4,929,786	\$ 4,880,530	\$ (49,256)	-1.00%
1001	Audit Department	\$ 2,304,709	\$ 2,281,345	\$ (23,364)	-1.01%
1040	Community Business Development Partners	\$ 304,650	\$ 613,018	\$ 308,368	101.22%
1011	County Exec. - General Office	\$ 920,095	\$ 910,831	\$ (9,264)	-1.01%
1021	Co Exec - Veterans Service	\$ 269,395	\$ 266,806	\$ (2,589)	-0.96%
<b>Legislative &amp; Executive Subtotal</b>		<b>\$ 8,728,635</b>	<b>\$ 8,952,530</b>	<b>\$ 223,895</b>	<b>2.57%</b>

\* The Bank Service Fees narrative is included as a line item in the 1900-1850 Earnings on Investments Budget.

## SECTION 2 - TAX LEVY CHANGES IN 2006 COUNTY EXECUTIVE RECOMMENDED BUDGET

<u>Org. Unit</u>	<u>Org. Name</u>	<u>2005 Adopted</u>	<u>2006 County Exec.</u>	<u>Levy Change</u>	<u>% Change</u>
<b>Staff Agencies</b>					
1110	Civil Service Commission	\$ 62,713	\$ 62,543	\$ (170)	-0.27%
1120	Personnel Review Board	\$ 163,091	\$ 156,950	\$ (6,141)	-3.77%
1130	Corporation Counsel	\$ 1,629,808	\$ 1,774,875	\$ 145,067	8.90%
1019	DAS - Ofc. For Persons w/Disabilities	\$ 557,541	\$ 704,622	\$ 147,081	26.38%
1140	DAS - Human Resources	\$ 3,297,767	\$ 3,327,904	\$ 30,137	0.91%
1150	DAS - Risk Management	\$ (145,329)	\$ (363,527)	\$ (218,198)	-150.14%
1151	DAS - Fiscal Affairs	\$ 3,277,471	\$ 3,337,303	\$ 59,832	1.83%
1152	DAS - Procurement	\$ 842,771	\$ 844,452	\$ 1,681	0.20%
1160	DAS - Information Mgt Services	\$ 18,690,406	\$ 18,105,484	\$ (584,922)	-3.13%
1192	DAS - Economic & Comm. Development	\$ (684,393)	\$ (1,597,545)	\$ (913,152)	-133.43%
<b>Staff Agencies Subtotal</b>		\$ 27,691,846	\$ 26,353,061	\$ (1,338,785)	-4.83%
<b>Courts &amp; Judiciary</b>					
2000	Combined Court Related Operations	\$ 28,523,895	\$ 24,101,156	\$ (4,422,739)	-15.51%
2430	Child Support Enforcement	\$ (106,829)	\$ (160,015)	\$ (53,186)	-49.79%
<b>Courts &amp; Judiciary Subtotal</b>		\$ 28,417,066	\$ 23,941,141	\$ (4,475,925)	-15.75%
<b>General Government</b>					
3010	Election Commission	\$ 522,140	\$ 935,910	\$ 413,770	79.25%
3090	County Treasurer	\$ (387,267)	\$ (160,989)	\$ 226,278	58.43%
3270	County Clerk	\$ 43,380	\$ 46,973	\$ 3,593	8.28%
3400	Register of Deeds	\$ (2,493,973)	\$ (2,839,204)	\$ (345,231)	-13.84%
<b>General Government Subtotal</b>		\$ (2,315,720)	\$ (2,017,310)	\$ 298,410	12.89%
<b>Public Safety</b>					
4000	Sheriff	\$ 59,499,910	\$ 59,734,023	\$ 234,113	0.39%
4300	House of Correction	\$ 38,342,252	\$ 38,195,444	\$ (146,808)	-0.38%
4500	District Attorney	\$ 7,838,593	\$ 7,704,637	\$ (133,956)	-1.71%
4900	Medical Examiner	\$ 2,655,979	\$ 2,609,863	\$ (46,116)	-1.74%
<b>Public Safety Subtotal</b>		\$ 108,336,734	\$ 108,243,967	\$ (92,767)	-0.09%
<b>Public Works and Transportation</b>					
5040	DPPI - Airport	\$ (1,063,345)	\$ (2,721,316)	\$ (1,657,971)	-155.92%
5070	DPPI - Transportation Services	\$ (655,544)	\$ (143,889)	\$ 511,655	78.05%
5080	DPPI - Arch/Eng/Env Services	\$ 436,533	\$ 381,206	\$ (55,327)	12.67%
5100	DPPI - Highway Maintenance	\$ 565,052	\$ 553,744	\$ (11,308)	-2.00%
5300	DPPI - Fleet Management	\$ (594,492)	\$ (531,679)	\$ 62,813	10.57%
5600	DPPI - Transit/Paratransit	\$ 21,351,770	\$ 18,420,577	\$ (2,931,193)	-13.73%
5700	DPPI - Facilities Management	\$ 15,215,531	\$ 15,072,666	\$ (142,865)	-0.94%
5800	DPPI - Director's Office	\$ 2,248,628	\$ 1,933,762	\$ (314,866)	-14.00%
9000	DPPI- Parks Division	\$ 17,879,574	\$ 17,702,585	\$ (176,989)	-0.99%
<b>Parks and Public Infrastructure Subtotal</b>		\$ 55,383,707	\$ 50,667,656	\$ (4,716,051)	-8.52%



## SECTION 2 - TAX LEVY CHANGES IN 2006 COUNTY EXECUTIVE RECOMMENDED BUDGET

<u>Org. Unit</u>	<u>Org. Name</u>	<u>2005 Adopted</u>	<u>2006 County Exec.</u>	<u>Levy Change</u>	<u>% Change</u>
<b>Health and Human Services</b>					
6300	DHHS - Behavioral Health Division	\$ 35,584,368	\$ 33,504,164	\$ (2,080,204)	-5.85%
7200	DHHS - County Health Programs	\$ 20,752,094	\$ 18,961,228	\$ (1,790,866)	-8.63%
7900	Dept. on Aging	\$ 2,709,471	\$ 1,545,194	\$ (1,164,277)	-42.97%
8000	Dept. of Health and Human Services	\$ 20,107,719	\$ 18,574,367	\$ (1,533,352)	-7.63%
<b>Health &amp; Human Services Subtotal</b>		\$ 79,153,652	\$ 72,584,953	\$ (6,568,699)	-8.30%
<b>Parks Recreation &amp; Culture</b>					
9500	Zoological Dept.	\$ 5,407,567	\$ 5,504,908	\$ 97,341	1.80%
9700	Milwaukee Public Museum	\$ 3,380,750	\$ 3,502,376	\$ 121,626	3.60%
9910	University Extension	\$ 209,846	\$ 209,260	\$ (586)	-0.28%
<b>Recreation &amp; Culture Subtotal</b>		\$ 8,998,163	\$ 9,216,544	\$ 218,381	2.43%
<b>Debt Service</b>					
9960	County Debt Service	\$ 36,230,454	\$ 47,260,744	\$ 11,030,290	30.44%
<b>Debt Service Subtotal</b>		\$ 36,230,454	\$ 47,260,744	\$ 11,030,290	30.44%
<b>Capital Improvements</b>					
1200-1876	Capital Improvements - Exp	\$ -	\$ 717,386	\$ 717,386	100.00%
<b>Capital Improvements Subtotal</b>		\$ -	\$ 717,386	\$ 717,386	100.00%
<b>GRAND TOTAL DEBT SERVICE</b>		\$ 36,230,454	\$ 47,260,744	\$ 11,030,290	30.44%
<b>GRAND TOTAL OPERATING PURPOSE</b>		\$ 305,562,829	\$ 298,935,945	\$ (6,626,884)	-2.17%
<b>GRAND TOTAL REVENUES</b>		\$ (115,909,632)	\$ (120,313,038)	\$ (4,403,406)	-3.80%
<b>GRAND TOTAL</b>		\$ 225,883,651	\$ 225,883,651	\$ -	0.00%

### **SECTION 3 – OVERVIEW/MAJOR CHANGES 2006 RECOMMENDED BUDGET**

#### **Non-Departmental – Revenues:**

##### **1900-1201 Property Taxes**

The recommended property tax levy is \$225,883,651, no change from the 2005 levy.

##### **1900-1850 Earnings on Investments**

Earnings on Investments decrease \$1,278,158 from \$5,508,158 to \$4,230,000. This decrease is based on an average investment balance of \$202 million at 3.00%. The 2005 budget was based on an average investment balance of \$247 million at a rate of 2.62%.

Investment management services funding is budgeted at \$190,000 and is included in a new non-departmental account (Org. Unit 1900-6025, Bank Service Fees) rather than the Treasurer's budget. Funding for investment management services increases \$20,000 from \$170,000 to \$190,000.

##### **1900-2201 State Shared Taxes**

State Shared Taxes (Shared Revenue) decreases \$31,716 from \$37,130,288 to \$37,098,572. The State previously modified the shared revenue formula so that the previous year's base, plus the utility payment, determines the budgeted amount. The components previously used to calculate the County's shared revenue payments, aidable revenues, county mandate relief and maximum-minimum adjustment have been discontinued. Only the utility aid component is used to calculate adjustments to the shared revenue payment.

Gross shared revenue payments are \$57.2 million, with \$20.1 million continued to be directed to the State Bureau for the Child Welfare, the same as 2005. (County Community Aids are also reduced by \$38.8 million, for a total reallocation of \$58.9 million to the State Bureau of Milwaukee Child Welfare.)

##### **1900-2202 State Exempt Computer Aid**

State Exempt Computer Aid is budgeted at \$2,688,730, a decrease of \$344,473 from the 2005 budgeted amount of \$3,033,203. This State aid payment originated in the 2000 Budget as an offset to a State-enacted property tax exemption on business computers that went into effect that year. The annual payment is based on the equalized value of exempt computers, the Milwaukee County equalized value (excluding TID) and the property tax levy.

##### **1900-2903 County Sales Tax Revenue**

Total gross revenues from County sales tax receipts are projected to grow by \$1,975,690 (3.1%), from \$63.4 million in 2005 to \$65.4 million in 2006. A total of \$47.2 million in net sales tax revenue is earmarked for debt service costs and \$750,000 is dedicated to cash finance capital improvement projects. Net County sales tax revenue is projected to exceed debt service costs by \$17.4 million. The 2006 budget projects growth of approximately 3.1% percent in budgeted sales tax receipts, which represents an increase of approximately 7% over 2004 actual.

**1900-4904 Excess Power Plant Revenue**

The Recommended Budget contains \$2,656,880 or \$44,444 less than budgeted in 2005. The Power Plant Revenue account was created in the 2001 Budget to account for excess proceeds from the County's annual power plant payment that are not needed to offset debt service costs. Previously, all revenue from the County's 1995 power plant sale had been placed in Org. Unit 9960 - General County Debt Service. It should be noted that the scheduled payment for 2007 is anticipated to decrease an additional \$2,300,000 to \$356,880.

**1900-4970 Surplus (or Deficit) From Prior Year**

The 2004 adjusted surplus applied to the 2006 budget is -\$1,573,366, an improvement of \$1,980,624 over the 2005 budgeted deficit of -\$3,553,990.

**1900-4999 Other Miscellaneous Revenue**

Other miscellaneous revenue is budgeted at \$740,000, an increase of \$700,000 due to the closing of five tax incremental districts in the City of Milwaukee.

**1901-4980 Unclaimed Money**

Unclaimed Money is budgeted at \$1,342,209, an increase of \$333,877 from the amount budgeted in 2005. This amount recognizes unclaimed money held by the Treasurer in 2005 that is expected to lapse to the County general fund in 2006.

**1933 Land Sales**

For 2006, Land Sales are budgeted at \$3,000,000, which is a \$2,000,000 below the 2005 amount. \$300,000 is budgeted as revenue in Org. Unit 1192 in the Office of Economic and Community Development as a service charge on all land sales.

Two properties are identified in this budget: 1) a vacant lot in Cudahy and 2) a parcel (2E) of the Park East. The County Board approved the sale of this parcel on September 29, 2005 (the day the budget was released).

Per adopted County policy approved in the 2004 Land Sales budget, any land sale revenue received in excess of the amount budgeted in Org. Unit 1933 shall be placed in Org. Unit 1945 – Appropriation for Contingencies. This policy is recommended to be continued for 2006. There is no reference to the creation of the Community and Economic Development (CED) Fund as adopted in 2005 by the County Board (File No. 04-492).

**1937 Potawatomi Revenue**

This non-departmental was created to reflect the receipt of revenue from the Potawatomi Tribe. The 2006 budget includes a total of \$4.5 million in Potawatomi Revenue, an increase of \$500,000 from the 2005 amount. A total of \$1,388,523 of this revenue is budgeted within DHHS to offset various programs, the same as 2005. This non-departmental account reflects the remaining revenue amount, \$3,111,477, which reduces overall tax levy.

**1969 Medicare Part D Revenue**

This is a new non-departmental account for 2006. Under the Medicare Prescription Drug Improvement and Modernization Act of 2003 and implementing regulations of 42 C.F.R. subpart R, plan sponsors (employers, unions) who offer prescription drug coverage to their qualified covered retirees, are eligible to receive a 28% tax-free

subsidy for allowable drug costs. Because this is a new Federal program, formulas and benefit levels remain uncertain. The budget includes \$2,639,936 in Medicare Part D revenues that are earmarked for (Org. Unit 1945) Appropriation for Contingencies. To the extent that these revenues are not achieved, it lowers the amount of funds that will be available in the Appropriation for Contingencies to cover other shortfalls.

### **Non-Departmental – Expenditures:**

#### **1900-8026 Debt Issue Expense**

This non-departmental account is to pay bond counsel, financial advisor fees and other costs associated with issuing debt. An appropriation of \$11,500 is provided, the same as 2005. Most debt issue expenses are paid from the proceeds from each financing. The funds provided in this account are to cover expenses that are not eligible to be paid from financing proceeds.

#### **1905 Ethics Board**

An allocation of \$57,655 is included for the Ethics Board for costs associated with hearing ethics complaints.

#### **1908 Milwaukee County Historical Society**

No Change.

#### **1912 Visit Milwaukee (Formerly Greater Milwaukee Convention & Visitors Bureau)**

No Change.

#### **1913 Civil Air Patrol**

No major changes.

#### **1914 War Memorial Center**

Funding for the War Memorial Center (WMC) is increased by 8% from \$1,311,636 in 2005 to \$1,433,462 in 2006. This includes a \$294,734 direct subsidy to the Milwaukee Art Museum.

The Department of Administrative Services will only release quarterly payments when the War Memorial Center has achieved efficiencies by combining services or developing revenue sharing schemes with the Milwaukee Art Museum in areas such as janitorial services, parking, security, maintenance, facility booking and room rentals. WMC will provide quarterly reports to DAS and County Board staff 14 days prior to scheduled payments, demonstrating areas where consolidation has occurred.

#### **1915 Villa Terrace/Charles Allis Art Museums**

No Change.

#### **1916 Marcus Center for the Performing Arts**

No Change.

#### **1921 Human Resource and Payroll System**

A new fund consisting of \$3,596,000 in expenditures and tax levy is created to account for the implementation of the new Human Resources Information System. In 2005, Milwaukee County contracted with Ceridian Corporation for the purchase of a fully hosted payroll, human resources and benefits management service. Costs for

2006 include \$2,346,000 in one-time implementation expenditures and \$1,250,000 for operating costs. \$25,000 in general obligation bonds for the project are included in the Capital Improvements budget. Operating costs for 2007 –2009 are expected to be \$1,662,145 each year and \$412,147 in 2010 for the final 3 months of the contract.

The total cost of the project, set at \$10,048,580, will include implementation costs and annual operating expenditures totaling \$6,648,580 through 2010. Revenues may be captured through the implementation of crosscharges.

Under the contract, the Ceridian Corporation will manage the detail of position history, organizational hierarchy, payroll calculations, applicant recruitment and distribution of deposit notices and related reports.

- 1923      **Milwaukee County Automated Land Information System (MCAMLIS)**  
Expenditures and revenue increase \$150,000 (15.7%) to \$1,104,000 based on experience for a zero net tax levy impact.

Project management responsibilities for MCAMLIS were transferred to the Architectural and Engineering Division of the Department of Parks and Public Infrastructure from the Southeastern Wisconsin Regional Planning Commission (SEWRPC) in 2005. The 2006 appropriation for project management is \$202,500.

MCAMLIS will provide \$77,500 to the Register of Deeds for data maintenance and \$25,000 to DAS for fiscal oversight.

If approved by the MCAMLIS Steering Committee, IMSD will be authorized to crosscharge MCAMLIS \$103,594 to cover the cost of a Network Application Specialist to develop and maintain computerized land records.

The MCAMLIS Steering Committee voted in 2004 to authorize an appropriation of \$261,787 over three years to fund a SEWRPC study on the regional water supply system and \$3,252,710 over four years to fund a digital topographic mapping project. Both projects make use of MCAMLIS funding available in 2004.

- 1930      **Offset to Internal Service Charges**  
This budget includes offsets to charges by internal service fund departments and crosscharging departments so those budgets are not overstated. In 2006, expenditure offsets are equal to revenue offsets for a zero property tax levy impact.

- 1935      **Charges to Other County Organization Units**  
This budget reflects the offset to Central Service costs allocated to departments to show the full cost of operating a department. Beginning in 1997, the Central Service Allocation was not included as an expenditure in departmental operating budgets. The Central Service Allocation amounts are based upon the 2006 Cost Allocation Plan, which uses 2004 actual costs as its basis. There is no tax levy associated with this budget.

- 1939      **Retirement Sick Allowance Payments**  
This account is recommended to be discontinued for 2006. The 2005 Budget provided an appropriation of \$1,836,000 to fund the retirement sick allowance payments for small departments that did not have the ability to absorb this cost.

1945

### **Appropriation for Contingencies**

The Recommended Budget includes \$12,210,058, an increase of \$7,793,036 from the \$4,417,022 provided in 2005. It should be noted that this appropriation is comprised of three separate revenue streams. First, \$4,470,122 is provided through existing Federal, State and local sources less all County expenses. The second revenue stream is \$5.1 million in net revenue from the anticipated adoption by labor unions of the County's current offer for wage and benefit provisions through 2006. (These funds are included in Org. Unit 1972 – Wage Supplemental Account.) The third source of funds for the Appropriation for Contingencies is \$2,639,936 in revenues from a new Federal program, Medicare Part D, that will partially reimburse the County for providing prescription drug coverage to its retired employees. (These funds are included in Org. Unit 1969 – Medicare Part D Revenue.)

The policy that any unanticipated revenue received during the year, including land sales in excess of budget, be first placed in the Appropriation for Contingencies is continued for 2006.

1950

### **Employee Fringe Benefits**

Total expenditures for fringe benefits will decrease by \$2,260,605 from \$155,998,549 to \$153,737,944. This is primarily due to a decrease in the contribution to the retirement system (pension contribution) of \$16,170,000, offset with an increase of \$13,085,600 in employee health costs. *(See further discussion of pension system contribution in Section 1)*

*5403-Health Benefits-Hospital, Professional, Major Medical and Dental Expense* accounts are increased by \$13,085,600. This represents an 11.6% increase in employee health benefit costs, which may be further reduced if labor unions agree to changes in the premiums, co-pays and deductibles included in the County's proposed health care plan. The additional savings are estimated to be \$11.6 million, which would offset the \$6.5 million wage increase contained in the County's offer to labor unions. (The cost of the wages and associated health care savings are included in Org. Unit 1972 – Wage Supplemental Account.)

*5404-Employee Group Life Insurance* account is increased by \$262,203 from \$1,421,458 to \$1,683,661, based on the coverage amount, which in turn is based upon employees' salaries.

*5405-Annuity-County Mandatory Contribution* is decreased by \$271,000, from \$313,000 to \$42,000. This budget is for the mandatory annuity contribution relating to eligible employees who have been members of the pension system prior to January 1, 1971.

*5406-Retirement System Contribution-OBRA* account is used to separately budget for OBRA benefit contributions. This amount is increased by \$97,000, from \$365,000 to \$462,000.

*5409-Retirement System Contribution* account includes a decrease of \$16,170,000 from \$35,370,000 to \$19,200,000. This represents a decrease of \$26,733,000 from the \$45,933,000 amount requested by the Pension Board. The Recommended Budget amount includes funding only for the normal contribution based upon an assumed rate of return of 8.5%. The Pension Board's request included both the normal cost

and the amortization of the unfunded liability based on an assumed rate of return of 8%. *(See further discussion of pension system contribution in Section 1.)*

The retirement system contribution narrative also includes policy language calling for a County Executive Advisory Committee on Pensions in 2006 for the purpose of investigating and recommending possible future pension models and funding mechanisms. This includes consideration of transitioning the current pension system from a defined benefit to a defined contribution model, and determining a proper employee pension contribution. An appropriation of \$100,000 is included in the Department of Administrative Services – Fiscal Affairs Division for the purpose of providing actuarial and consulting services to the advisory committee.

The County Executive also states his intent to propose legislation to rescind the benefit enhancements adopted in 2000, specifically, to reduce the pension multiplier from 2% to 1.6% and eliminate backdrop payments. Finally, the Recommended Budget calls on the County Board to adopt a policy to change the amortization period for pension contribution variances from five to thirty years.

*6804-Local Transportation (Transit Pass Program)* account increases by \$16,296, from \$325,866 to \$342,162, for a portion of the cost of a corporate transit pass at \$126 each. The County purchases the quarterly passes at \$126 each, increasing to \$155 in 2006, while the employee reimburses the County \$30 per quarter through payroll deduction. The impact of the Marquette Interchange reconstruction, as well as fuel cost increases, are anticipated to increase the number of employees seeking bus passes. It is unclear from the Recommended Budget narrative whether increased transit fares will be passed along to employees.

1961      **Litigation Reserve Account**

An appropriation of \$250,000 is included in anticipation of litigation costs.

1966      **Federated Library System**

No Change.

1972      **Wage Supplemental Account**

The Wage Supplemental Account is created as a deposit account for anticipated expenditures and revenues associated with wage and benefit packages being negotiated for labor unions and non-represented employees. Revenue of \$11.6 million is anticipated from healthcare co-payments, offset by an increase of \$6.5 million in expenditures due to wage increases, for a net levy reduction of \$5.1 million. Because revenues are speculative, the net levy reduction is earmarked for the for Org. Unit 1945 - Appropriation for Contingencies Account rather than operating expenses.

Positions in the Executive Compensation Plan are denied step increases and performance bonuses.

1974      **Milwaukee County Fund for the Arts**

No Change.

1985      **Capital Outlay/Depreciation Contra**  
This account is a budgetary device used to provide for proper accounting of capital outlays in Proprietary Fund departments (i.e. Enterprise and Internal Service Fund departments). There is no county-wide tax levy impact from this account.

**Departmental:**

1000      **County Board**  
Expenditures for services are reduced \$32,200, including a \$15,000 reduction in printing and stationery expenses reflecting increased use of the House of Correction printing and a corresponding crosscharge increase of \$15,000.

A \$35,000 appropriation for hosting the Wisconsin Counties Association annual conference is not repeated in 2006. Milwaukee County has hosted the WCA conference three of the last four years and is not on the schedule for the foreseeable future.

1001      **Department of Audit**  
Three vacant Performance Evaluator positions are unfunded for a savings of \$132,042, which was included in the department's requested budget.

1040      **Office of Community Business Development Partners**  
Tax levy increases \$308,368, primarily reflecting the removal of \$275,348 in revenues from crosscharging capital projects deemed to be unrealizable. A \$20,000 crosscharge revenue to the Airport is included.

Contractual expenditures include \$25,000 for legal fees for assistance in redesigning the Federal Aviation Administration DBE program for Airport concessions, and \$10,000 for support of the Contract Compliance Monitoring database begun in 2005.

1011      **County Executive – General Office**  
Personal Service appropriations reflect the reimbursement of \$60,000 by the County Executive for a portion of his 2006 salary. One position of Director of Communications is funded, completely offset with the unfunding of one position of Executive Assistant. Funding for authorized positions increases 5.6%, from 82.8% to 88.4%.

1021      **County Executive – Veterans Service**  
No major changes.

1110      **Civil Service Commission**  
No major changes.

1120      **Personnel Review Board**  
Tax levy is reduced \$6,141 (3.8%) to \$156,950. No changes documented.

1130      **Corporation Counsel**  
Tax levy is increased \$145,067 (8.9%) to \$1,774,875. Expenditures are increased by \$101,094 (5.6%) to \$1,915,902 and revenue is reduced \$43,973 (23.8%) to \$141,027.



Anticipating an increase in real estate transactions and open records issues, the Office adds two staff attorneys and a legal secretary and appropriates \$23,000 for a records management system.

Crosscharges for legal services increase \$300,830, including a new crosscharge to the Office of Economic and Community Development for the cost of one new attorney and a 40.3% increase in crosscharges to the Behavioral Health Division.

- 1019     **Department of Administrative Services - Office for Persons with Disabilities**  
Office project revenue increases \$43,500 (68%) from \$63,500 to \$107,000 based on increases in Wil-O-Way rental income, key card proceeds and \$38,500 based on accounting for Wil-O-Way summer camp gift donations.

Expenditures for interpreter services increase \$47,680 (53.8%) from \$88,544 to \$136,224 based on experience and are charged to departments.

\$150,000 is appropriated for maintenance of accessibility- related assets.

The office has assumed responsibility for transportation for the Wil-O-Way Summer Day Camp funded through a \$25,000 grant from Disability Service Division and application of fees from campers.

- 1140     **Department of Administrative Services – Division of Human Resources**  
Tax levy is increased \$30,137 (<1%) to \$3,327,904. Expenditures are reduced slightly to \$4,352,495 and revenue is reduced \$122,849 (10.7%) to \$1,141,440.

The Employee's Retirement System (ERS) is crosscharged \$115,224 by IMSD for implementation of the new pension administration computer system.

Three positions in the Director's Office, one in Labor Relations and one in ERS/Benefits are abolished for a salary savings of \$83,626 and one management level position is created in the Director's Office at a salary cost of \$59,454.

- 1150     **Department of Administrative Services – Risk Management**  
One position of Employee Safety Coordinator is funded at full rather than half-time. Insurance purchases for property, fine arts and airport liability are reduced \$128,663, offset with an increase in workers' compensation medical benefits of \$90,866.

- 1151     **Department of Administrative Services – Administration and Fiscal Affairs**  
One position each of Accountant 2, Accountant 1, Fiscal Specialist and Fiscal Specialist 2 are unfunded. One position each of Executive Director Airport Finance Administration and DHHS Coordinator Reimbursement are being transferred from their respective departments to DAS-Fiscal to improve fiscal monitoring. Professional services are increased \$162,800 for two items including \$62,800 for financial automation efforts and support for the BRASS budgeting system. In addition, \$100,000 is included for contract services related to a study of the current pension system. *(See Org. Unit 1950 – Employee Fringe Benefits in this Section and pension system contribution in Section 1)*

1152

**Department of Administrative Services - Procurement Division**

The percentage of authorized and funded positions increases 3%, from 93.9% to 96.9%. This will allow a vacant position to be filled in 2006. The Procurement Division relocated to the City campus offices effective April 1, 2005. For 2006, the relocation is anticipated to save the Division \$58,000 in space rental costs.

The Procurement Division continues an annual fee of \$25 for vendors who want to be added to the list of approved vendors. The revenue generated from the imposition of this fee is budgeted at \$39,551. Milwaukee County Procurement Division and the City of Milwaukee Procurement Division continue to identify duplicate commodities and collaborate on cost-effective procurement. The budget does not identify any savings that have been achieved related to this initiative that was begun in the 2004 budget.

1160

**Department of Administrative Services – Information Management Services Division**

One position each of Office Support Assistant 1, Distribution Assistant, Applications Specialist 4, Network Applications Specialist 4 ME and Assistant Director – Human Resources/MIS are recommended to be abolished. One new position of Business Analyst is recommended to be created. In addition, one position of Management Assistant Document Services is transferred to the House of Correction print shop.

The budget anticipates approval by the Milwaukee County Automated Land Information System (MCAMLIS) Board to fund one Network Applications Specialist dedicated to the Register of Deeds Office. This position will help develop and maintain a computerized index of land records for internet viewing.

An increase of \$170,000, to \$223,144, is provided to address equipment failures and address departmental needs that cannot be met within the capital budget. Also, \$300,000 is included for contractual services to support “legacy” systems in the County. This will allow IMSD the ability to hire new staff, upon position vacancies, that have skill sets that are better aligned with new technology and platforms.

The 2006 Recommended Budget for DAS-IMSD also includes funding to outsource first level help desk functions. Similarly, departments relocating offices will be required to secure outside assistance to move technology infrastructure. These initiatives will allow existing staff to be deployed to perform other duties.

It is anticipated that IMSD will move the mainframe and other related equipment from Schlitz Park to space owned by the City of Milwaukee. A lease agreement was approved in 2005. This will continue the collaboration with the City on website development and other e-government issues.

In 2005, Records Management services were outsourced to an outside vendor. The 2006 cost of the commercial records management vendor are \$405,285. In addition, one County position of Records Manager continues to coordinate services with the vendor.

### **Department of Administrative Services – Economic and Community Development Division**

This Division was created by the merger of the Economic Development and Housing and Community Development Divisions in 2004.

The Personal Services account is increased by \$182,927. In addition, funded positions are increased by 2.5 positions. All former Housing positions and part of the cost of former Economic Development positions are funded with grant funds. Other county revenue funds the balance of the positions, including the new positions.

Anticipated Federal revenue and expenditures are adjusted based upon current information with no major changes anticipated for:

- Housing Choice Voucher Program
- HOME Investment Partnership Program
- Community Development Block Grant (CDBG) Program
- Safe Haven Housing Program
- Shelter Plus Care Program

The Real Estate Section has the following changes:

1. The addition of a Real Estate Assistant position and the office will be crosscharged for a new Real Estate Attorney position in the office of the Corporation Counsel.
2. New revenues of \$300,000 are budgeted, which represents a 10 percent service charge on all of the County's estimated land sales of \$3 million.
3. Net parking revenue is expected to increase by \$275,000 to \$825,000.
4. Appraisal fees are cut by \$52,000 for the year because appraisals of the County's available real estate have mostly been completed.
5. Dwelling revenues decline by \$17,000, and charges to maintain County properties are cut by \$20,000 because the County owns fewer properties than in past years.

The Community and Business Development Section, which administers the CDBG funds, also administers the Economic and Community Development Reserve Fund. This fund is budgeted at \$50,000, which is the same amount provided in the 2005 Adopted Budget. This section will also undertake three studies: (a) a study of the efficiency of the County's golf courses (\$50,000 is budgeted), (b) a study on behalf of the Behavioral Health Division of the Department of Health and Human Services to identify potential alternative locations for its inpatient, crisis and nursing home operations and/or to house its administrative and program staff (\$50,000 is budgeted), and (c) a study of regional growth initiatives with the Greater Milwaukee Committee (\$25,000 is budgeted).

This section will have two new Economic Development Specialist positions created. Also two Fiscal and Management Analyst positions are created, offset by abolishing two Accountant 3 positions.

2000

### **Combined Court Related Operations**

Expenditures are reduced \$5,239,220 (13.3%) to \$34,251,682 and revenues are reduced \$816,481 (7.4%) to \$10,150,526, resulting in a tax levy decrease of \$4,422,739 (15.5%) to \$24,101,156.

Eighty-one positions, representing 79.25 FTE are abolished for a salary reduction of \$4,104,402. Among positions affected by the abolishments are 11.5 Clerical Assistants, 18 Deputy Court Clerks, 10 Court Commissioners, nine Legal Research Interns and seven Office Support Assistant 2 positions.

State reimbursement to offset expenses for guardian ad litem fees is reduced \$988,310 to \$975,352 due to the absence of additional funding in the State's GAL grant. The revenue shortfall is offset by abolishing the Legal Research Interns, the Office Support Assistants, six Fiscal Assistants and one Accountant. Savings from the abolishments total \$871,894.

Fee-based expenses for guardian ad litem, adversary counsel, psychiatrists, transcripts, interpreters, juror expenses and general legal costs are largely unchanged at \$5,535,481.

Funding for the Circuit Court Support grant from the State remains level at just under \$3.6 million.

A study of Court data by the Department of Administrative Services results in a recommendation to reduce County-funded courtroom staff and the number of bailiff posts. Courtroom staff reductions include the abolishment of three Administrative Assistant 3 positions, one Administrative Court Commissioner, one Assistant Chief Deputy CCC, one Assistant Chief Deputy Clerk, 13.5 Clerical Assistants, two Fiscal Assistants, one Management Analyst, one Secretary, 0.5 Legal Counsel, 18 Deputy Clerk Court Judicial Assistants and nine full-time Court Commissioners for a salary reduction of \$2,935,300.

Additionally, the number of bailiff posts is reduced from 88 to 71, with staffing provided through 82 sworn positions and an additional 9,000 hours of overtime. The bailiff reorganization reduces crosscharges from the Sheriff by \$1,430,491 (14.9%) to \$8,193,699. Overall, implementing the study recommendations reduces expenditures \$4,365,791.

### Family Court Commissioner Division

The Division is funded primarily through a crosscharge to the Department of Child Support Enforcement of \$2,131,246. Funded positions are reduced 2.25 FTE.

### Register in Probate Division

Legal fees decrease \$40,000 to \$170,000 and GAL fees in this division decrease \$15,000 to \$165,000 due to caseload reductions. GAL revenues from the State for this division decrease \$2,000 to \$90,370.

### County Funded State Court Services Division

Additional pre-trial services are transferred from the Behavioral Health Division to the Alternatives to Incarceration section. The Chief Judge is responsible for managing

and monitoring pretrial services and administering the contract with Wisconsin Community Services.

Revenue and expenditures for the Domestic Violence Judicial Oversight Initiative grant continue in 2006 at \$394,533, dependent upon a continuation in grant funding. Positions associated with the grant are asterisked and will be abolished in 2006 if funding is unavailable.

Pursuant to an agreement with the State, three Court Reporter positions are abolished as County jobs and recreated as State positions, for a salary reduction of \$106,874. Additionally, one Court Reporter position is abolished and replaced by a recorder box for a savings of \$63,700.

Programming in the Alternatives to Incarceration section is funded at \$2,161,580, including \$177,529 in State revenue for an Operating While Intoxicated program and \$1,984,051 in tax levy for additional pre-trial programs.

Funding for the Legal Resource Center of \$214,000 is eliminated.

Anticipated revenue from State reimbursement and grants is reduced \$936,924 due primarily to the reassessment of GAL funding, although State reimbursement for Permanency Plan Reviews and Interpreter Reimbursement increases by \$6,271 and \$37,200, respectively.

Increased revenue for Interest on Investments and Legal Fee Recovery result in an additional \$100,000 for each activity.

Authority is requested to enter into Professional Services contracts with Wisconsin Community Services, In-House Correctional Services, Justice 2000 and the Legal Aid Society totaling \$3,557,840.

**2430 Department of Child Support**

Expenditures decrease \$20,680 (<1%) to \$18,009,567 and revenues increase \$32,506 (<1%), increasing the tax levy offset by \$53,186 to \$160,015.

The Department anticipates achieving 100% of performance standards, resulting in full incentive revenue of \$4,077,763.

A pilot project will be initiated wherein Milwaukee County Child Support staff will provide customer service to Racine County clients. No additional staff is required.

Crosscharges from the Family Court Commissioner, the District Attorney and the Clerk of Circuit Court are largely unchanged at \$3,023,021.

**3010 Election Commission**

Because 2006 will be a four-election year while 2005 was a two-election year, expenditures and tax levy are increased \$413,770 to \$980,693 and \$935,910, respectively. The appropriation for overtime, advertising and election supplies approximately doubles.

3090

**County Treasurer**

The 2006 Budget reflects a tax levy increase of \$226,278 primarily due to a decrease of \$228,650 in projected delinquent tax collections. It is reported that an aggressive collection campaign in 2005 has reduced the number of outstanding delinquent properties by 50%. A new fee of \$30 is established for the use of credit cards. The fee for foreclosure and delinquent property listings remain at \$250 and \$150, respectively.

A total of \$275,000 is budgeted for administrative fees for investment of the County's short-term cash deposits. This includes \$85,000 in the Treasurer's budget and \$190,000 in a new non-departmental account, Org. Unit 1900-6025, Bank Service Fees. This represents a \$20,000 increase from the amount appropriated in 2005 for this purpose.

3270

**County Clerk**

The County Clerk intends to process passport applications for a \$97 fee, producing \$36,000 in revenue.

An appropriation of \$10,000 is included for temporary staffing to complete data entry for the Journal of Proceedings. An online legislative tracking system is expected to be launched in 2006.

Fees are unchanged.

3400

**Register of Deeds**

Expenditures are reduced \$60,264 (1.9%) to \$3,183,796 and revenues are increased \$284,967 (5.0%) to \$6,023,000, producing an increase in the tax levy offset of \$345,231 to \$2,839,204.

Real Estate Transfer Fee Revenue is increased \$450,000 (20.3%) to \$2,670,000.

Fees are unchanged.

4000

**Office of the Sheriff**

Expenditures decrease \$1,320,354 (1.8%) to \$72,203,629, revenues decrease \$1,554,467 (11.1%) to \$12,469,606 and tax levy increases \$234,113 (<1%) to \$59,734,023.

Thirty full-time equivalent positions are abolished and five positions (3.96 FTE) are created at an overall salary savings of \$1,229,420. Significant position actions include the abolishment of 19 bailiff positions and seven support positions in the Detention Bureau. The position actions are attributed to a staffing reorganization and a security initiative.

In-service training for Deputy Sheriffs and Correctional Officers increases 16 hours to 40 hours to supplement mandated training requirements to address matters such as ethics, professionalism and leadership. An appropriation of \$50,000 is included for consultant fees.

#### Departmental

Discretionary spending is reduced by one million dollars.

#### Emergency Management

Pass-through grant revenue of \$200,000 increases division revenues and expenditures to \$516,000 and \$938,457, respectively. Tax levy support is \$422,457.

#### Police Services

Staffing levels at the Airport are unchanged. Crosscharges to the Airport are increased \$97,068 to \$6,431,529.

Private member support for County Grounds patrols is decreased from \$873,134 to \$587,085. With parking citation revenue unchanged, tax levy support for County Grounds patrols increases \$138,446 to \$339,020. Staffing is unchanged.

Tax levy for the Criminal Investigation Unit is increased \$447,852 to \$5,495,317. Staffing is relatively unchanged.

Parks Patrol expenditures of \$208,836 are fully funded through a Justice Assistance Grant and special events revenue.

Staffing for the Expressway Patrol Unit is largely unchanged. Expenditures increase \$437,369 to \$7,422,895 offset by an increase in revenue from the Department of Transportation of \$389,931 to \$575,000 for motorist assistance and traffic monitoring.

#### Detention Bureau

The conversion from Deputy Sheriff positions to Jailer positions at the Criminal Justice Facility continues in 2006. Fifty Jailer positions are expected to be added. The initiative anticipates replacing a total of 200 Deputy Sheriff positions with Jailers over a four-year period.

Revenues from the Commissary, telephone commissions, medical service co-payments, and the U.S. Marshal's Service are \$170,000, \$818,928, \$68,000 and \$1,200,000 respectively. The Marshal's revenue is an increase of \$300,000 based on experience.

Funding for the Jail Literacy program is reduced \$48,798 due primarily to a reduction in grant revenue. Library services are level funded at \$31,000.

The Sheriff and the House of Correction continue their contract with the State for housing inmates nearing the end of their sentence, producing revenue of \$1,043,800, which is split evenly with the House of Correction after the House's expenses are met.

#### Medical Services

Tax levy support for inmate medical services at the CJF and House of Correction is reduced \$330,106 to \$14,422,931 due to reductions in outside medical fees and prescription drug appropriations. Tax levy costs in the 2005 Adopted Budget had been reduced \$1,146,717 over 2004 expenses.

An appropriation of \$50,000 is included for technical assistance in the implementation of the Electronic Medical Records system for the CJF.

Staffing changes for medical services include the addition of a pool physician position (.48 FTE) for coverage purposes and the conversion of two Nurse Practitioner positions to Physician Assistant positions.

#### Special Operations

The implementation of the upgrade to the Sheriff's E-911 response capability continues in 2006. Grant funding from the State will underwrite \$150,000 in operating costs and \$400,000 in capital costs for the Public Safety Answering Point project. One position of Communications and Highway Safety Dispatcher (Pool) is created at .48 FTE to provide coverage in Dispatch, reducing overtime costs.

The bailiff staffing plan provides staffing for 71 bailiff posts, a reduction of 17 posts compared to 2005, for a decrease in staffing costs of \$1,430,490 to \$8,193,700. Nineteen Deputy Sheriff 1 positions will be abolished in 2006 upon vacancy. DAS will examine potential crosscharges to offset eight bailiff posts assigned to general security.

4300

#### **House of Correction**

Expenditures decrease \$1,917,444 (4.2%) to \$43,369,013, revenues decrease \$1,770,636 (25.5%) to \$5,173,569, resulting in a tax levy decrease of \$146,808 (<1%) to \$38,195,444.

Twenty-one positions are abolished due to the closing of two additional dormitories and one position is transferred to the Graphics division for a net savings of \$835,572. The abolished positions include one Correction Officer Lieutenant, 19 Corrections Officers and one Corrections Manager. A total of six dormitories are scheduled to be closed for 2006.

Funding for the Community Justice Resource Center (formerly the Day Reporting Center) increases \$41,249 to \$834,586. Tax levy support increases \$423,321 to \$667,386 primarily due to the elimination of anticipated grant revenue.

Funding for the farm and fish hatchery is continued at \$211,534, contingent upon the execution of a long-term agreement with the Hunger Task Force. No tax levy is included for this program in 2006.

Tax levy support for food service increases \$318,470 due to the discontinuation of an agreement with the State for providing food service at the State Probation and Parole facility.

Revenue from telephone commissions, the Municipal Board and inmate incarceration expenses is unchanged. Huber Board revenue decreases \$89,790 and electronic surveillance revenue decreases \$85,410 based on a reduction in census and Commissary revenue increases \$53,000.

4500

#### **District Attorney**

Expenditures increase \$801,255 (5.2%) to \$16,259,790, revenues increase \$935,211 (12.3%) to \$8,555,153, reducing tax levy \$133,956 (1.7%) to \$7,704,637. Expenditure and revenue increases are due primarily to the assumption of fiscal and



administrative responsibility for the Milwaukee Metropolitan Drug Enforcement Grant.

Three Victim/Witness Advocate positions and one Investigator DA position are abolished due to the discontinuation of grant funding.

4900 **Medical Examiner**

Expenditures decrease \$365,528 (9.4%) to \$3,509,658, revenues decrease \$319,412 (26.2%) to \$899,795, reducing tax levy \$46,116 (1.7%) to \$2,609,863.

Two positions of Assistant Medical Examiner and one Forensic Investigator position are abolished for a salary reduction of \$348,214 due primarily to the loss of autopsy referrals from neighboring counties. The contract with Fond du Lac County will continue through 2006.

Fees are unchanged except for cremation permits which increase \$10 to \$165.

5040 **Department of Parks and Public Infrastructure - Airport**

Two positions are created in the security area to enhance compliance with various FAA and Transportation Security Administration (TSA) directives. Duties will include conduct random and periodic checks of the interior and exterior security systems, maintain pertinent logs, records and databases, and provide coverage for oversight inspections by federal agencies. One position will be created for developing and providing consistent training programs for County personnel, airport tenants, and construction employees as required by FAA regulations.

The position of Deputy Director Airport – Finance Administration is transferred from GMIA Administration to Department of Administrative Services (DAS) Fiscal Affairs Division. The position will be located at the airport and will be charged to the airport via a cross-charge from DAS-Fiscal Affairs for no levy effect.

Debt service costs of \$8,612,481 will be added to the 2006 operating budget for the balance of General Airport Revenue Bonds issued in 2003 for the completion of a 2,951 space parking structure.

Appropriations for capital items included in operations are \$783,000. These projects include: \$200,000 to resurface one-third of the main employee parking lot, \$250,000 for an ongoing project to fill cracks in the asphalt shoulders runways and taxiways, \$113,000 to upgrade the Precision Approach Path Indicator system, \$100,000 to demolish a vacant hanger, \$90,000 to repair membranes and surfaces of the parking structure, and \$30,000 to replace incandescent lighting with low cost LED on the airfield perimeter obstruction poles.

Appropriations for acquisition and capitalization total \$675,700. Major items included in this amount are; \$150,000 for Flight Information Display System replacement display screens, \$84,000 for replacement of old HVAC units on D concourse, \$40,000 for replacement of components in the video surveillance security system, \$32,000 for two year-round guard booths at two checkpoints, and \$32,100 for an upgrade of noise monitoring equipment.

The airport budget has a total tax levy surplus of \$1,892,275.

- 5070      **Department of Parks and Public Infrastructure – Transportation Services**  
The 2006 Transportation Services budget has been adjusted to remove the costs associated with non-capital activities from the department's overhead rate. Revenue has been adjusted to 94% from 110.6%. Crosscharges to other departments will be lowered by \$481,879 while \$511,655 will be added to tax levy support. Some of the functions supported by tax levy include pavement management, traffic safety improvement studies, and investigation of constituent concerns on County trunk highways.
- Two major maintenance items will be added in 2006. While total expenditure authority will increase by \$327,400, tax levy will increase by \$49,735. The remaining \$277,665 will be provided by State and Federal funding sources. The first project provides \$214,100 in funding for installation of Light Emitting Devices (LED) fixtures in county traffic signals. This project will use \$192,690 of Hazard Elimination Safety funds and \$21,410 of matching county funds. The second project consists of \$84,975 in state grants with a county match of \$28,325. Funding will be used for Beloit Road from Oklahoma Avenue to 124th Street.
- 5080      **Department of Parks and Public Infrastructure – Architectural, Engineering and Environmental Services**  
The 2006 budget transfers the AE&ES section from the Parks Division to the DPPI Director's Office. Landscape Architects (LA) will remain under the general supervision of the Resident Contract Manager in the AE&ES section, however, the LA's will remain physically at the Parks Administration building.
- Funded positions will increase by 2.9 from 51.0 to 53.9 and personal services expenditure authority without fringe benefits will increase by \$109,903 from \$3,414,921 to \$3,524,824. The 2006 budget will abolish the positions of 1 Environmental Specialist, 1 GIS Supervisor, and 1 Preventative Maintenance Program Manager and create 1 Land Information Supervisor, 1 Facilities Assessment Manager, and 1 Hazardous Material Compliance Leader. Funding will also be provided for 1 Construction Coordinator, needed to assist with management of GMIA capital projects, and 3 Engineering Interns to provide staff support.
- In 2006, AE&ES will receive \$202,500 for MACMLIS project management.
- The 2006 budget maintains funding of \$150,000 for phase I work of the building inventory and assessment program. Phase I work includes digitization of the building plans and building systems inventory.
- 5100      **Department of Parks and Public Infrastructure – Highway Maintenance**  
The State reimburses the Highway Division for 100% of eligible costs associated with the State Trunk Highways (STH) and the freeway system. For 2006, it is estimated that \$11,626,653 of the Department's cost for Personal Services, contractual services and commodities will be dedicated to the freeway and STH system. In addition, \$443,558 is budgeted for reimbursement revenue from the State to recover 75.0 percent of the central services allocation and other overhead costs which are related to these services provided for by the State, but which are budgeted for in other departments. This will result in a decrease of \$129,757 from 2005 in the amount of crosscharges and services.

The Highway Maintenance Division will abolish seven Highway Maintenance Worker 3 positions, one Electrical Mechanic DOT position and overtime equivalent of two full-time positions. All positions are currently vacant.

General Transportation Aids for 2006 are budgeted at \$2,745,623, a decrease of \$615 from \$2,746,238 in 2005.

The 2006 budget provides for \$150,000 to overlay 13th Street from Ryan Road north to Rawson Avenue.

Funding of \$31,900 is provided for the following: one arrow board trailer (\$3,600), two arrow board kits (\$6,200), one copier (\$11,430), one Toughbook laptop (\$5,600) and salt conveyor maintenance equipment (\$5,100).

5300

**Department of Parks and Public Infrastructure - Fleet Management**

Personal Services without fringe benefits decreases \$271,140 from \$3,184,508 to \$2,913,368 and funded positions decreases 7.4 from 71.0 to 63.6. The following positions will be abolished in the 2006 budget: 1 Intern Auto Mech/Tech .34 FTE, 1 Auto & Equipment Attendant, 2 Auto & Equipment Service Tech Assistant and 2 Auto & Equipment Service Tech. In addition, shift differential will be reduced by the equivalent of .11 FTE. All abolished positions are currently vacant.

In 2006, new and replacement equipment is budgeted in the Capital Improvements Budget (Project WO112, Fleet Acquisition). All departments receiving replacement equipment will be required to turn in their used equipment unless, as required, the department has obtained County Board approval to retain the old vehicles so Fleet Management Division's total equipment count does not exceed approved totals. Any costs associated with the repair and maintenance of vehicles retained will be the sole responsibility of the using department.

Funding for motor vehicle parts decreases \$326,281 from \$1,125,469 to \$799,188.

Funding for fuel increases \$39,620 from \$1,137,142 to \$1,176,762. The number of gallons budgeted has been reduced due to the reduction in equipment. The total gallons budgeted is 698,223 for all grades down 170,446 gallons from 868,669 in 2005. The cost per-gallon of lead free, Diesel #1, and Diesel #2 is budgeted at \$2.22. This price includes Federal and State taxes.

5600

**Milwaukee County Transit/Paratransit System**

The following fare increases are proposed for 2006:

Adult Weekly Pass from \$13.00 to \$16.00 (23%)

Adult Ticket (group of 10) from \$13.00 to \$16.00 (23%)

Student Ticket (group of 10) from \$11.00 to \$13.00 (18%)

Student Regular Weekly Pass from \$11.00 to \$13.00 (18%)

Student Special Weekly Pass from \$11.50 to \$14.00 (22%)

UPASS from \$38.00 to \$44.00 (16%)

Commuter Value Pass from \$126.00 to \$155.00 (23%)

Freeway Flyers (based on adult cash fare) from \$2.05 to \$2.25 (10%)

Freeway Flyer Tickets (group of 10) from \$16.00 to \$19.00 (19%)

Summerfest, Ethnic Festival, and State Fair Flyers from \$5.00 to \$6.00 (20%)

Summerfest Shuttle Service from \$2.00 to \$3.00 (50%)

The result of these fare increases will provide for an additional \$4,000,000. Transit passenger revenue is projected to be \$42,560,000.

The percentage of allocation for 85.21 Federal Funds between Milwaukee County Transit System (MCTS) and the Department on Aging changes. MCTS increases from 65% to 72% and the Department on Aging changes to 35% from 28%. The budgeted amount for MCTS increases by \$327,476 from \$928,789 to \$1,256,265 while the budgeted amount for Aging remains the at the 2005 level of \$500,117.

Transit operating expenses are increasing by \$5,695,589. Most notably increases are projected for fuel increases at \$4,060,000, health insurance at \$1,600,000, and public liability insurance at \$600,000. Expenditure authority is also reduced for facility and vehicle maintenance, marketing and administrative support activities.

Paratransit fares remain at \$3.25 per ride. Paratransit transportation expense is estimated at \$18,358,619 a decrease of \$399,343. Cost per ride is projected at \$19.72, an increase of 5%.

Fuel surcharges increased by \$165,000 from \$153,336 to \$318,396 based on the acknowledgement of higher fuel costs and the contractual agreements made with Transit Plus providers.

State operating assistance will increase to \$1,136,219 for a total of \$57,948,000 in 2006.

5700

**Department of Parks and Public Infrastructure - Facilities Management**

The 2006 budget transfers the Facilities Management section from the Parks Division to the DPPI Director's Office.

One position of Facilities Maintenance Manager is created by the abolishment of one Parks Maintenance Manager for a savings of \$350.

Services increased \$183,729 from \$6,437,026 to \$6,620,755. This increase represents an anticipated increase in utility expenses of \$152,751 and \$30,978 for repair and maintenance on buildings and structures based on past year actual expenses.

The cost of fire protection at the county grounds will remain at the 2005 level of \$1,132,948.

Revenues decreased by \$452,785 from \$13,706,272 to \$13,253,487. Home Owners Protection Program revenue is projected at \$0 in 2006 due to the discontinuation of the program. Rental revenue from the Research Park is reduced by \$100,000 based on recent occupancy estimates, and Children's Court rent will be reduced by \$97,600 based on 2006 estimated costs.

Facilities Management will reduce the cross-charge to Behavioral Health Division by \$239,317.

5800

**Department of Parks and Public Infrastructure – Director's Office**

Personal services without fringe benefits decreases \$110,503 from \$1,945,951 to \$1,835,448 and positions decrease by 6.7 from 55.5 to 48.8 FTE. The abolished

positions include one Administrative Manager (DPPI), one Safety and Training Coordinator – Parks, and four vacant Facility Worker Security positions. The position of Safety and Training Coordinator will be unfunded upon vacancy.

Funding of the Associate Director position is decreased by \$20,000 to reflect the actual funding level of the position.

The 2006 recommended budget transfers the Architecture, Engineering and Environmental Services (AE&ES) division and the Facilities Management division to the DPPI Director's office. Landscape Architects (LA) will remain under the supervision of the Resident Contract Manager in the AE&ES division, however, the LA's will remain at the Parks Administration building. Facilities Management is currently in the process of centralizing skilled trades at the Facilities West location. Once completed, the facility at 68th and State will be available for sale.

The fee for towing abandoned vehicles from the freeway is increased from \$75 to \$100 based on comparable fees levied from similar jurisdictions including the City of Milwaukee. Revenue is increased by \$156,600 from the 2005 budgeted level of \$33,330. This increase will partially offset increased fuel costs in Fleet Management.

The profile of security operations will be raised during the remainder of 2005 and into 2006. A number of managerial, operational, training, and equipment initiatives will take place during this time. This includes combining security operations with safety and training operations under DPPI administration. A new training curriculum and employee training database has been developed for all security officers. Funding for Law Enforcement and Public Safety supplies will increase by \$30,000 from \$5,000 to \$35,000 for the purpose of purchasing handheld magnetometers, heavy-duty stanchions and new uniforms. Funding is included in the capital budget for replacement of X-ray imaging and walk-through magnetometers.

An amount of \$186,651 is included in revenue for security services at Children's Court. This amount is decreased from 2005 due to staffing changes in the Children's Court Center.

9000

#### **Department of Parks and Public Infrastructure – Parks Division**

Architectural, Engineering and Environmental Services and Facilities Management will be transferred to the Department of Parks and Public Infrastructure's Director's Office (Org. 5800) from the Parks Division. The Landscape Architects will remain under the general supervision of the resident contract manager and their offices will continue to be located in the Parks Administration building and provide direct service to the Parks Division.

Direct tax levy support for the Parks Division decreases by \$176,989 from \$17,879,574 in 2005 to \$17,702,585 in 2006. Due to an adjustment in the personal lump sum, the number of funded positions increases by 7.2 full-time equivalents, from 534.8 to 542.0.

Minor maintenance for Parks-owned facilities and equipment is budgeted at \$314,700 for repair of pools, playground equipment, athletic fields, electrical systems, etc.

Parks management will track all expenses and revenues by activity code so that administrative staff will be able to determine the costs and income of each activity performed by the Parks Division.

The Capital Budget includes an appropriation of \$600,000 for the structural repairs and painting of the Domes. Some of the work will require portions of the Domes to be closed during the time of repair.

The Parks Superintendent will have the authority to set fees for building and facility rentals, picnic permits, aquatic admissions, traditional (reoccurring) special event permits, and other areas that require user fees.

6300

**Department of Health and Human Services – Behavioral Health Division**

Expenditures increase \$5,085,169 (3.3%) from \$153,715,689 to \$158,800,858, revenues increase \$7,165,373 (6%) from \$118,131,321 to \$125,296,694 and tax levy decreases \$2,080,204 from \$35,584,368 to \$33,504,164.

Funded positions decrease 26.8 to 876.4 mainly due to the closure of one unit at the Hilltop Intermediate Care facility and the mid-year restructuring of BHD management positions.

Vacancy and turnover is reduced by \$5,554,692 to a total of \$1,138,008, (from 14.3% to 2.9%) due to a reduction of 115 positions, with no effect on the total number of funded positions in the BHD budget.

Inpatient Services/Nursing Facilities

Licensed beds at the Hilltop intermediate care facility are reduced from 93 to 72 and 24.5 FTEs are abolished or unfounded. Expenditures for the Hilltop facility are reduced by \$1,451,734 and revenues by \$1,200,000, for a net savings of \$251,734. The reductions are attributed to State implementation of its 2005 Intermediate Care Facility –Mentally Retarded (ICF-MR) Rebalancing Initiative to place individuals with developmental disabilities from intermediate care facilities into community-based settings.

State Intergovernmental transfer Program revenue (ITP) is reduced by \$500,000 to a total of \$1,200,000 in 2006 and is expected to be further reduced in the future.

Acute Adult Inpatient Services/Child Services

New expenditures of \$500,000 are budgeted for 2006 to provide for costs associated with State institute placement for extremely challenging behavioral patients.

Inpatient service revenue increases by \$450,000 to \$6,524,000, reflecting increased child and adolescent admissions, and professional service expenditures increase by \$200,000 to a total of \$291,000 for temporary nursing services.

Adult Community Services

The Adult Community Service Purchase of Service budget is reduced by \$150,000, to \$14,892,025, to reflect anticipated savings in outpatient clinical services.

Medicaid revenue increases by \$300,000 due to re-shifting BHD's Targeted Case Management program to a crisis intervention model.

### Adult Crisis Services

Four Hospital system partners have agreed to again provide \$500,000 in funding to offset costs associated with 16 crisis respite beds in the Adult Crisis Services Area. These resources, as well as cooperative agreements with area hospitals and systematic internal reviews, have been effective in managing census while easing delays in transferring individuals in psychiatric crisis. (This is part of a total 2006 county-wide funding commitment on the part of the hospitals of \$2,740,248, largely to help preserve the County's General Assistance Medical Program.)

### Alcohol and Other Drug Abuse (AODA) Services

Total AODA expenditure budget for 2006 is \$21,081,059 including \$7,479,364 in revenues from the Access To Recovery (ATR) Wiser Choice Grant awarded to the State and contracted to Milwaukee County in September 2004.

Expenditures increase slightly from \$21,139,588 to \$21,145,554 with a tax levy increase of \$192,494 (11.8%) from \$1,450,731 to \$1,643,225.

The ATR grant expands alcohol and other drug abuse treatment services to two priority populations: the general population with an emphasis on families with children and the criminal justice population with a focus on inmates and offenders re-entering the Milwaukee community. This is a three-year grant totaling approximately \$22.8 million. \$646,813 is budgeted for administrative costs linked to operational management of the program.

The AODA redesign initiative began in 2004 and was completed in 2005, resulting in increased access, efficiency, capacity and greater services to support recovery from substance abuse.

One vacant position of Quality Assurance Specialist (AODA) is abolished and one vacant position of Program Coordinator (AODA) is unfunded for a total savings of \$117,782.

### Child and Adolescent Community Services

The Wraparound Milwaukee Program will partner with Abri Health, a managed care organization, to oversee the management and provision of health care services to approximately 3,200 Milwaukee County Medicaid eligible children in foster care in 2006. Wraparound includes \$4.8 million in additional Medicaid revenue from additional payments to BHD as a result of this initiative. In 2006, Wraparound Milwaukee receives more than \$15.3 million in Medicaid capitation and crisis payments in addition to the case rate funding from child welfare and fixed payments from juvenile justice to serve a projected daily enrollment of 635 children.

In 2006, the DHHS-Delinquency and Court Services Division and Wraparound Milwaukee will continue collaboration on the successful FOCUS program for youth who would otherwise be committed to Juvenile Corrections. FOCUS slots increase by 16 in 2006 for a total of 47.

Total State Child Welfare and Medicaid funding for the Family Intervention and Support Services (FISS) program is budgeted at \$531,365 to serve approximately 40 families per month in 2006.

#### Management/Support Services

Pharmaceutical services are reduced \$450,000 from \$3,550,000 to \$3,100,000 due to changes in physician practices and reduction in intermediate care facility (ICR) census.

A vacant position of Medical Director Psychology is unfunded for a savings of \$172,618.

One vacant Pharmacy Tech position and one vacant Sewing Machine Operator 1 position are abolished for a savings of \$59,806.

Dietary savings of \$302,642 are budgeted to reflect savings from an agreement with Milwaukee Center for Independence (MCFI) to work in partnership to provide dietary services. As a result, MCFI relocated its kitchen to the BHD facility in order to achieve efficiencies in management and purchasing. Savings include the abolishment of one vacant Food Service Worker 1 and unfunding of one Dietician 1.

The Division will work with the Economic and Community Development Division to review BHD facility needs and determine if alternative locations can help to reduce future facility costs.

7200

#### **Department of Health and Human Services-County Health Programs**

In 2006, total expenditures decrease by less than one percent to \$61,736,095 due to decreased contract payments in Emergency Medical Services (EMS) and revenues increase by \$1,247,852 (3%) to \$42,774,867 for a net tax levy reduction of \$1,790,866 from \$20,752,094 to \$18,961,228.

Aurora Health Care continues to provide \$80,000 of Occupational Health and Safety services for County employees in 2006.

#### Emergency Medical Services (Paramedics)

The EMS program is in its third year of a revised reimbursement model where municipalities are paid based upon net revenue collected and receive a supplemental payment from the County for uniforms, maintenance, education, and other costs. Reimbursement revenue continues to be paid back to municipal partners via a distribution formula developed by the Intergovernmental Coordinating Council (ICC).

Paramedic recovery revenue is reduced by \$801,881 (11.4%) from \$7,030,209 to \$6,228,328 with expenditure reductions in contract payments to municipalities via the distribution formula based on actual collection of paramedic recovery revenue in 2004.

Funding for the Professional Service contract for Paramedic billing is reduced by \$109,720 (16.2%) from \$677,720 to \$568,000 representing a reduction of percentage of net revenue paid to the vendor contingent upon County Board approval of a new contract recommendation.

The EMS budget includes an \$84,700 (56.6%) increase in Flight for Life revenue from \$65,000 to \$149,700 based on actual experience.



#### General Assistance-Medical Program (GAMP)

GAMP expenditures increase by \$285,036 to \$48,155,745 and revenues increase by \$1,854,375 to \$36,044,095 due to new agreements reached with four hospital systems. Tax levy is reduced \$1,569,339 to \$12,111,650.

GAMP Medical Service Expenditures increase \$301,168 with an increase in outside revenue to reflect an agreement reached with GAMP-affiliated hospital systems in 2005 regarding home health care services to GAMP clients. The four hospital systems have increased their contribution in the 2006 budget by \$325,000 to \$569,000 that will pay for out-stationed workers in addition to personal service costs for 5.5 remaining GAMP eligibility workers. An agreement with Aurora Health Care to fund the Nurse Call-Line for \$65,000 will continue in 2006. The four major hospital systems have agreed to pay for costs associated with Wisconsin Physician Services Inc. (WPS) for claims processing and administrative fiscal services with a commitment of \$1,225,000, the same amount as the 2005 WPS contract. *(See Section 1 for further discussion on GAMP funding.)*

The 2006 budget again maintains net Intergovernmental Transfer Program (ITP) revenues of \$9.3 million and \$16.6 million of medical relief block grant from the State.

Income-based eligibility standards remain unchanged.

Title XIX recoupment revenue is reduced \$116,793 to \$315,153 based on experience.

GAMP administrative revenue from the \$35 application fee increases by \$120,000 to \$900,000 based on experience.

7900

#### **Department on Aging**

Expenditures increase \$4,286,823 (2.5%) to \$166,895,372 and revenues increase \$5,451,100 (3.5%) to \$165,350,178 due primarily to increases in the Family Care program's Care Management Organization and reflect the increased per member per month capitated rate received from the State. Tax levy decreases \$1,164,277 from \$2,709,471 to \$1,545,194.

#### Administration

At the end of 2005, the Schlitz Park lease expires. The Economic and Community Development Division issued an RFP for space for the Department on Aging in July 2005. At its September 29, 2005 meeting, the County Board authorized the Economic and Community Development Division to enter into contract negotiations with Grubb and Ellis to lease 48,000 square feet of office space for the Department on Aging and to negotiate a five-year renewal option escalator cap with an informational report back in the October meeting cycle. The lease is for a five-year term at a cost of \$3,000,000.

#### Elderly Services

New Medicare Modernization Act Transition Grant funding is budgeted in the amount of \$105,991 in 2006. The Department will contract with Legal Action of Wisconsin to assist community seniors in the transition to Medicare Part D.

The Recommended Budget reflects the third year of a \$1,110,000 four-year Robert Wood Johnson Foundation Community Partnerships and Older Adults grant to fund

the Connecting Caring Communities Initiative. The grant for 2006 is \$277,500 with additional match funding from the Helen Bader, Faye McBeath and Greater Milwaukee Foundations.

#### Senior Meal Program

Expenditures increase \$275,596 due to increased food expenditures based on experience and revenues increase \$427,675 due to an analysis of the amount of Family Care member meals served at meal sites eligible for reimbursement. Meal sites are reduced by one, to 31, due to discontinuation of the Village Adult Day Care Meal Site.

The Department continues a number of nutritional and wellness programs for seniors in collaboration with area partners.

#### Senior Centers

\$300,000 is budgeted to address the maintenance needs of the five County senior centers, with projects based on a long-range plan developed by the DAS Fiscal Affairs Division and Department on Aging.

#### Resource Center

Expenditures decrease \$505,145 due to decreased personal services expenditures and reductions in purchase of service contracts. Revenues decrease by \$274,496, mainly due to expiration of the Wellness and Prevention Grant funding of \$249,040. Purchase of service expenditures is reduced to offset the loss of grant revenue.

Twenty-three staff from the Department of Health and Human Services – Economic Support Division are positioned at the Resource Center to assist with eligibility determination for Family Care. Aging is crosscharged for this service.

#### Care Management Organization (CMO)

The Department on Aging was awarded the sole contract to operate the Care Management Organization in Milwaukee County in 2005 and restructured their fiscal and management staff in 2005 to ensure that CMO operations and finances are closely monitored due to prior year accumulated deficits of \$12,217,786. Revenues increase \$5,201,391 based on an increased per member per month capitated rate from the State. Expenditures increase \$4,239,362 mainly in member services. The CMO anticipates a surplus of \$3,234,106 for 2006, of which \$1,617,053 will be paid to the county with an equal amount placed into an expenditure reserve within the CMO.

8000

#### **Department of Health and Human Services**

Expenditures increase \$1,680,189 (less than one percent) to \$179,710,700 and total revenues increase \$3,213,541 (2%) to \$161,136,333. Tax levy decreases \$1,533,352 from \$20,107,719 to \$18,574,367. (Expenditures and revenues in the DHHS budget do not include \$21,361,540 in State Department of Corrections charges and Youth Aids revenue due to the State paying itself first from the County's Youth Aids allocation.)

The State continues intercepting \$20,101,300 from Milwaukee County's State Shared Revenue payment and intercepting \$38,792,200 from Community Aids revenue annually to fund the State Bureau of Child Welfare.

An appropriation of \$94,000 is budgeted in 2006 for continued development and maintenance of the single client database across all DHHS divisions.

#### Economic Support Division (ESD)

Expenditures decrease \$505,287 due to savings associated with the move from Schlitz Park to the Coggs Center and revenues increase \$290,629 due to increased Home Energy Assistance and Child Day Care Administration dollars. \$1,449,029 of revenue is budgeted in 2006 for Child Care eligibility and other functions performed by ESD staff in support of Wisconsin Works (W-2).

Based on preliminary notification from the State, ESD's 2006 budget projects Income Maintenance (IM) revenue of \$15,829,366, the same amount of the 2005 State IM contract. A \$150,000 appropriation approved in 2005 for anticipated Food Stamp Error Rate penalty is eliminated based on improvements in Food Stamp payment accuracy.

One position of Customer Service Manager is created to coordinate customer service initiatives and improve service. One vacant ESS Section Manager position is abolished for a net cost of \$1,220.

Child Day Care revenue of \$7,739,871 from the State is budgeted based on the 2005 State contract. An appropriation of \$2,075,110 is budgeted for Child Day Care professional development and purchase of service contracts funded with this revenue.

\$2,060,208 in revenue is budgeted for Home Energy Assistance per the State contract in 2005. ESD has maintained outreach contracts with two separate vendors at cost of \$454,463, which will be reduced to \$267,594 due to fiscal constraints.

The Community Information Line (211) is funded with \$400,000 from the Department with another \$50,000 from the Behavioral Health Division.

An appropriation of \$2,315,268 for W-2 and Supplemental Security Income (SSI) burials reflects an increase of \$794,294 based on 2005 expenditures.

#### Delinquency and Court Services Division

Expenditures decrease by \$379,574 to \$38,131,693 due to personal services and space savings and revenues decrease \$33,596 to \$22,892,488.

Youth Aids revenue for 2006 is budgeted at the estimated 2005 contract amount of \$32,332,424.

Total State Department of Corrections charges for juveniles placed into State custody by Children's Court Judges are projected at \$21,361,540, a decrease of \$1,568,000 from 2005 based on a decrease in daily census. This projection is based upon the most recent 12-month period and rates adopted in the 2005-2007 State Budget for institutional costs. Total Corrections charges and census changes are as follows:

<b>Program Component</b>	<b>Placements</b>	<b>Change</b>	<b>Expenditures</b>	<b>Change</b>
Department of Corrections	239	(26)	\$17,945,820	(\$584,040)
Child Caring Institutions	18	(5)	\$1,534,579	(\$529,901)
Aftercare			\$769,610	(\$200,048)
Corrective Sanctions Program			\$1,111,531	(\$254,011)
<b>Total</b>	<b>257</b>	<b>(31)</b>	<b>\$21,361,540</b>	<b>(\$1,568,000)</b>

Prior year State contract reconciliation is budgeted at \$850,000, a decrease of \$1,350,000 from \$2,200,000 in 2005. An additional \$500,000 of prior year revenue is budgeted in the Disabilities Services Division for a total of \$1,350,000 in the DHHS budget.

Expenditures for the Firearm Offender Supervision program, which diverts delinquents from institutions into community programs increase slightly from \$733,904 in 2005, to \$797,133 in 2006. The expiration of State and Federal revenue necessitates an increase of \$359,240 to \$585,922 in property tax levy support for the program.

DHHS will pay \$1,702,716 for 47 slots in BHD's intensive Wraparound program known as FOCUS. There is an increase of 15 slots and \$404,061 in property tax levy from \$1,324,000 to \$1,728,061. DCSD receives \$737,179 in revenue from the Wraparound program for temporary shelter, group home and day treatment slots.

Nine vacant Juvenile Corrections officer positions, one vacant Intake Specialist CCC and two vacant Clerical Assistant 1 positions are abolished for tax levy savings of \$413,372.

A \$150,000 appropriation for the Youth Sports Authority continues in 2006.

#### Disabilities Services Division

Expenditures increase \$3,438,926 to \$99,503,972 due to increased client services and revenues increase \$3,229,163 to \$94,433,176.

An appropriation of \$350,000 in Potawatomi revenue for the Birth-to-Three program continues in 2006.

Funding for Long Term Support client services increases \$3,461,050 based on experience and expenditure needs.

The State's implementation of its Intermediate Care Facility-Mentally Retarded Rebalancing Initiative (ICR-MR) and changes in statutory guidelines will require DSD to relocate approximately 86 clients in 2005 and 2006. This initiative has increased DSD's staff workload resulting in funding of two Human Service Worker positions and creation of three additional Human Service Workers for a tax levy cost of \$166,110. One vacant Policy and Procedure Coordinator position and one Office Support Assistant 2 position are abolished for a tax levy savings of \$84,428.

\$436,388 for transportation services will be built into service plans for participants in work and day programming, as it is for LTS participants, in order to draw down \$251,578 (57.7%) in Federal reimbursement to partially offset costs.

Funding of \$278,892 in a risk reserve for DSD Long term Support programs continues in 2006.

In 2005, DSD implemented a staff realignment and information technology enhancements to maximize Medical Assistance Personal Care (MAPC) revenue. This revenue is reimbursed by the Federal government for services provided to LTS clients. MAPC revenue increases \$227,951 to \$3,355,275.

State contract reconciliation revenues increase \$350,000 to \$500,000 in 2006.

#### Management Services Division

The Management Services Division's Contract Administration section was reorganized and expanded in 2005 to enhance department-wide contract monitoring and quality assurance activities. In 2006, DHHS will make additional efforts to consolidate of additional contract monitoring and quality assurance activities in BHD to reduce redundancy and enhance efficiency.

Space occupancy savings produced by consolidation of all DSD, Management Services and most of ESD at the Coggs Center are approximately \$1.3 million in the 2006 budget. Full year cost for DHHS to operate the Coggs Center is \$1,377,143, an increase of \$39,910 over 2005.

#### 9500 **Zoological Department**

Tax levy funding for the Zoo increases slightly, from \$5,407,567 in 2005 to \$5,504,908 in 2006. Attendance projections are unchanged from 2005.

A net profit of \$100,000 is budgeted for the SkyGlider ride. A .58 FTE position of Zoo Worker 2 is created for operation of the SkyGlider. Funding for this position is offset by revenue from the vendor.

The Zoological Society will contribute \$438,000 for 2006, as they did in 2005.

All fees remain the same in 2006 as in 2005.

#### 9700 **Milwaukee Public Museum**

Milwaukee County's contribution to the Milwaukee Public Museum increases \$121,626 from \$3,380,750 in 2005 to \$3,502,376 in 2006. This amount is based on the formula for funding stipulated in the governing lease and management agreement.

The County will only continue to make its annual contribution (which occurs quarterly) if MPM meets monthly expenditure and revenue targets as approved by the Department of Administrative Services or County Board staff.

#### 9910 **Milwaukee County University Extension Service**

Funding for the Extension decreases slightly by \$586 from \$209,846 in 2005 to \$209,260 in 2006, due to a reduction in fringe benefit costs.

#### 9960 **General County Debt Service**

The tax levy (or sales tax revenue) needed for the General County Debt Service increases in 2006 by \$11,030,290 from \$36,230,454 to \$47,260,744. Total debt service principal and interest increases by \$4.7 million, from \$50.8 million to \$55.5

million. Contributions from the Debt Service Reserve (DSR) total \$1.4 million, a decrease of \$6.0 million from the \$7.4 million provided in 2005. The DSR contribution of \$1.4 million includes: \$223,974 in premium from the sale of the 2004 Corporate Purpose Bonds and \$1,192,807 in lapsed bond proceeds from the 1998-2004 bond issues. This results in a balance in the debt service reserve of \$100,000.

Debt Service revenues decrease \$277,333, from \$7,165,061 to \$6,887,728 million for 2006. This is primarily due to the loss of \$845,000 in accrued revenue for a State Trust Fund Loan Payment, partially offset by a \$584,000 increase in the anticipated payment from Froedtert Memorial Lutheran Hospital. The hospital payment is based on 5.25% of net operating cash flow and will not be determined until sometime in 2006. There are two outstanding State Trust Fund loan obligations for 2006: \$15.1 million for prior pension contribution variances and \$539,524 for equipment purchases. The total debt service payments budgeted in 2006 for these loans are \$4,522,592.

## **SECTION 4 – ISSUES / CONCERNS / QUESTIONS**

### **2006 RECOMMENDED BUDGET**

#### **Non-Departmental – Revenues:**

##### **1900-1850 Earnings on Investments**

Is the 3% rate of return realistic? A 9/15/05 Controller's report indicates that the Treasurer's net investment return has been 2.2% for the 2005 year.

##### **1900-2903 County Sales Tax Revenue**

Total County sales tax receipts are projected to grow by \$1,975,690 (3.1%), from \$63.4 million in 2005 to \$65.4 million in 2006. A 9/15/05 Controller's report projects a \$500,000 deficit for 2005. Therefore, the 2006 budget assumes a 4.4% increase from the projected collections for 2005. Will economic activity in 2006 result in a 4.4% increase in sales tax revenues?

##### **1900-4904 Power Plant Revenue**

The Power Plant revenue amount anticipated for 2006 of \$2.6 million is approximately the same as 2005. Policymakers should be aware that beginning in 2007, this amount is scheduled to drop \$2.3 million to \$356,880.

##### **1900-4999 Other Miscellaneous Revenue**

A \$700,000 increase in Miscellaneous Revenue is based upon the closing of five tax incremental financing districts in the City of Milwaukee. How certain are the TIF closings and the associated rebate to the County?

##### **1933 Land Sales**

Land Sales are budgeted at \$3,000,000, a decrease of \$2,000,000 from the 2005 amount. Should \$300,000 of land sale proceeds be used to fund positions contained in other departments? Why is a Park East Development land parcel identified for general land sale revenue when the County's adopted policy is to place the proceeds into a Community Economic Development (CED) fund?

Milwaukee County has successfully approved the sale of the first two blocks (which each are two acres) of the former Park East Freeway lands. What is the estimated schedule for marketing of the remaining 12 acres?

Does the Milwaukee County Research Park Corporation expect to sell any land in 2006?

What other county-owned lands are available for sale in 2006 such as tax deed parcels?

Will any revenue from the future sale of real estate be allocated to the Community and Economic Development (CED) fund in 2006, as provided in a resolution (File No. 04-492), which was adopted by the County Board during 2005?

- 1937      **Potawatomi Revenue**  
How likely is the \$500,000 increase in revenue from the gaming compact to occur?

**Non-Departmental – Expenditures:**

- 1914      **War Memorial Center**  
Milwaukee County continues to encourage the entities that operate the cultural institutions it owns to combine services including the War Memorial Center, Inc. (WMC), the Milwaukee Public Museum, the Performing Arts Center, Charles Allis/Villa Terrace, the Historical Society and the Friends of Boerner Botanical Gardens. These cultural institutions have acknowledged the many benefits of collaboration and have stated they will continue to combine services where appropriate.

However, these cultural institutions have never been asked to develop revenue sharing “schemes”, especially with entities that do not operate a County-owned facility such as the Milwaukee Art Museum (MAM). In addition, disbursement of baseline funding has never been contingent upon implementation of collaboration efforts.

This idea is wrought with problems. First, even if WMC and MAM could identify collaborative efforts, the time it would take to implement them (and achieve cost savings) could likely exceed the end of a fiscal quarter. Second, Milwaukee County struggles to fund the cultural institutions it owns. Therefore, how can Milwaukee County justify forcing WMC to develop “revenue sharing schemes” as well as provide MAM with almost \$300,000 in direct tax levy support and an additional \$450,000 in indirect property tax levy for the purchase of utilities and maintenance services for the Kahler Addition of the War Memorial Building that the Art Museum leases from WMC to exhibit art for which Milwaukee County gets no revenue?

Even if MAM shared some of its revenue with WMC, would the amount of net revenues be significant enough to justify this carrot and stick approach to budgeting? After all, MAM continues to seek direct property tax levy support from Milwaukee County.

- 1939      **Retirement Sick Allowance Payments**  
This account is recommended to be discontinued for 2006. How will the County pay any obligations that may result from legal decisions affecting past retirement sick allowance payments? Will there be charges to individual departments for past liabilities?

- 1945      **Appropriation for Contingencies**  
The Recommended Budget includes \$12,210,058, an increase of \$7,793,036 from the \$4,417,022 provided in 2005. How likely is the County to reap Medicare Part D revenues and health care cost savings in excess of wage increases?

- 1950      **Employee Fringe Benefits**  
Is the amount appropriated for employee health care adequate? How is the County protected under the new employee health insurance contract?



What is the near and long-term cost to the taxpayers to underfunding the pension system contribution by \$26.7 million from the amount requested by the Pension Board? Do the future changes to the retirement multiplier suggested by the County Executive have any relationship to the recommended pension contribution amount? How does changing the amortization period from five to thirty years impact total pension obligations? Should the establishment of County Executive Advisory Committee on Pensions, as well as the suggested changes to the amortization period, be reviewed outside of the annual budget review process? *(See Section 1 for more discussion on the pension system contribution.)*

Is the fare increase for the transit pass passed on to County employees through the payroll deduction?

1969      **Medicare Part D Revenue**

Is the recommended amount consistent with the amount calculated by the consultant retained by the County?

**Departmental**

1130      **Corporation Counsel**

The 2006 Recommended Budget provides limited detail in support of the addition of two attorneys and a legal secretary. The Division of Economic and Community Development anticipates the sale of two parcels, and open records requests are expected to remain level. While the positions may be necessary to address overall workload, the budget narrative provides little justification for the addition of three positions.

1140      **DAS – Division of Human Resources**

In July 2005, the County Board authorized the contract with Ceridian Corporation to manage the detail of position history, organizational hierarchy, payroll calculations, applicant recruitment and distribution of deposit notices and related reports. For 2006, \$3,596,000 in tax levy is budgeted for the implementation of the new Human Resource Information System (HRIS), including \$1.25 million in operating costs for nine months of service (Org. Unit 1921). Operating costs for 2007 – 2010 are projected to be \$1,662,145 annually.

The Ceridian product reflects both an outsourcing of duties and an automation of division functions. It seems reasonable to expect that some efficiencies would be realized at some point during 2006 and redundancies could be eliminated, producing at least some measure of cost reductions. What is the division's plan for transitioning duties and responsibilities to Ceridian and how will that impact the staffing pattern in DHR and countywide? What are the projected cost savings from this outsourcing?

1151      **Department of Administrative Services – Administration and Fiscal Affairs**

What benefits will be realized by transferring the Airport Finance Director to DAS-Fiscal Affairs?

1152      **Department of Administrative Services - Procurement Division**

Which vacant position will be filled with the additional funding? What efficiencies have been gained by working collaboratively with the City of Milwaukee?

- 1160      **Department of Administrative Services – Information Management Services Division**  
 Will the outsourcing of legacy system support, first-level help desk functions and departmental technology relocation services provide the County better IT support? Overall, is the County investing enough in information technology in order to meet the challenges resulting from a reduced workforce and higher public expectations for e-government services?
- 1192      **Department of Administrative Services – Economic and Community Development Division**  
 Which vacant position will be filled with the additional funding? What efficiencies have been gained by working collaboratively with the City of Milwaukee?  
 Will the two new Economic Development Specialist positions be involved with the three studies that are included in the 2006 proposed budget for this Division?  
 Will the Community Development Block Grant Program be changed in 2006?  
 What is the full cost of the new positions being added to this Division including the cost of the crosscharged real estate attorney position?
- 2000      **Combined Court Related Operations**  
 The staff reductions outlined in the narrative are addressed in Section I of this overview.
- 2430      **Department of Child Support**  
 Will the reduction in court staff have any impact on the Department's ability to continue to achieve full incentive funding?
- 3090      **County Treasurer**  
 How will the planned use of credit cards impact collections?
- 3270      **County Clerk**  
 When does the County Clerk anticipate having County Board Proceedings, including the backlog since 2001, brought on-line?  
 Given that staffing patterns are unchanged, will the Clerk's office be able to adequately staff the passport application initiative?
- 4000      **Office of the Sheriff**  
 The bailiff reductions outlined in the narrative are addressed in Section I of this overview.  
 In the medical services area, what is the practical effect of replacing two Nurse Practitioner positions with two Physician Assistant positions? Does this reflect a different emphasis in service delivery?  
 The 2005 Adopted Budgeted included savings from the Jailer initiative that were predicated in part on reducing the number of training hours that would require overtime coverage. In the 2006 Recommended Budget, training hours are expanded

beyond the 24 hours required by the Standards Board to include 16 hours of additional training on matters such as ethics, professionalism and leadership. The additional training is intended for Deputies, Correctional Officers, Dispatchers and medical staff and is to be covered through overtime. Additionally, \$50,000 is appropriated to hire subject matter experts on these issues. Is this training part of any State or Federal Standards requirement and if so, is there any potential for matching revenues to offset costs? If not, is it a cost-effective initiative at this time?

4300 **House of Correction**

The projected daily population for the House and for the CJF essentially reflect the status quo. However, it is reasonably possible that the population could increase due to, for instance, increased bookings by local police or delays in processing court cases. While both the Sheriff and the House of Correction have contingency plans based on census spikes, the issue is noted as a potential budget challenge in 2006.

5040 **DPPI – Airport**

What is the purpose of transferring the Deputy Director Airport – Finance Administration from GMIA to DAS-Fiscal Affairs and cross-charging GMIA?

5300 **DPPI – Fleet Management**

Does the number of gallons budgeted, based on the reduction of equipment, accurately reflect fuel consumption?

What adjustments will be made should fuel prices rise, or equipment utilization increase?

5600 **Milwaukee County Transit System**

The 2006 budget proposes the fourth fare increase in six years. Statistics have shown that fare increases erode ridership. The fare increase proposed for 2006 is levied on those using transit mainly for daily commutes to and from home, work, and school. Most regular transit riders use the weekly pass, purchase tickets, or use the commuter value pass. Increases to these fares will most likely alter the travel patterns of transit's most stable ridership base and deter new riders who may consider using transit due to escalating fuel prices.

Transit equipment and personnel have been on a steady decline. Recent spikes in gas prices have increased ridership on MCTS regular routes and Freeway Flyer routes. Does transit have the equipment and personnel necessary to meet the needs of increased ridership demand? If not, how long would it take to get the necessary personnel and equipment in place?

Why is transit's fuel budgeted at \$2.00 when the Fleet Management fuel budget is currently at \$2.22 and oil futures prices support using a higher fuel rate?

*(See Section 1 for more discussion on the Transit fare increase.)*

5800 **DPPI Director's Office**

The supervision of the Architectural, Engineering, and Environmental Services (AE&ES) and Facilities Management will be moved from the Parks Department to the Director of DPPI. How will this improve service delivery from these units, or

will this simply add another layer of oversight? How will this move affect the Department's reporting of activities to current standing committees?

9000 **DPPI - Parks Division**

What is the advantage of budgeting by activity code and how does it differ from current budget practices?

Should the Parks Superintendent continue to have authority for setting parks-related fees?

Why is the Economic Development Division conducting a golf study and not the Parks Division? What is the purpose and what are the expected outcomes of this study? It is interesting to note that there are no capital projects for the golf courses in 2006. In 2005, the capital budget had a line item for golf course infrastructure projects but it is not part of the 2006 budget.

7200 **Department of Health and Human Services – County Health Programs**

What initiatives are contemplated to take place to ensure the General Assistance-Medical Program is preserved beyond the current funding agreement with four hospitals?

8000 **Department of Health and Human Services**

What are the costs associated with moving BHD inpatient, crisis and nursing home operations to potential alternative locations and/or to house its administrative and program staff?

How successful has the Disability Services Division's effort been to reduce the waiting list for services? What new initiatives will be introduced to further reduce the waiting list? What challenges will DSD face in achieving an additional \$3.2 million in client service revenue?

9700 **Milwaukee Public Museum**

By tying quarterly payments from Milwaukee County to the Milwaukee Public Museum (MPM) to financial performance, would Milwaukee County be in violation of the lease and management agreement?

What is the desired outcome of tying quarterly payments to MPM's ability to achieve its monthly expenditure and revenue targets? If these targets are not achieved and, as a result, MPM does not receive its quarterly payment from Milwaukee County, will MPM be forced to layoff more employees or cease providing free Mondays to County residents? Wasn't the Museum Oversight Committee created to ensure that MPM was achieving its targets and institute sanctions if those targets were not met?

It may be more prudent to negotiate a new lease and management agreement that could incorporate fiscal checks and balances to the satisfaction of Milwaukee County.

9960 **General County Debt Service**

Is it prudent to use \$1.4 million and leave only \$100,000 in the Debt Service Reserve to help balance the budget? Is a \$584,000 anticipated increase in the payment from Froedtert Memorial Lutheran Hospital for the Doyne Hospital sale reasonable?

**SECTION 5**  
**2006 RECOMMENDED CAPITAL IMPROVEMENTS**  
**BUDGET – OVERVIEW**

**Airports**

**WA006 GMIA C Concourse Gate Expansion**

Expenditure: \$23,980,000

Revenue Reimbursement: \$0

Net County Commitment: \$23,980,000 to be financed by Passenger Facility Charge revenue backed General Airport Revenue Bonds.

Funds are requested to continue the construction of an eight gate expansion of the C Concourse in order to accommodate increased passenger traffic at GMIA. The total estimated cost of the project is \$55,349,457. This includes the cost of the structure, temporary Concourse, new jet bridges, furniture, podiums for holdrooms, airline tenant finish design and construction. Completion of the additional eight gates is expected in 2007.

**WA014 GMIA Airfield Pavement Joint Repair**

Expenditure: \$588,775

Revenue Reimbursement: \$441,581 in Federal revenue, \$73,597 in State revenue.

Net County Commitment: \$73,597 to be financed with Passenger Facility Charge revenue.

Funds are included for the replacement of joint sealant throughout the airfield. Inspection of this area has shown areas of joint failure and missing sealant. This appropriation will be used to repave Taxiway A between Taxiway T and R and on Taxiway E between Runway 7R/25L and Taxiway F.

**WA042 GMIA Bag Claim Building Remodeling - Design**

Expenditure: \$1,695,750

Revenue Reimbursement: \$0

Net County Commitment: \$1,695,750 in Passenger Facility Charge revenue.

An appropriation is included to hire a consultant to review a conceptual study of the bag claim area performed in 1999. In addition the consultant will perform a complete design for the area including a total renovation of the approximately 46,000 square foot existing building. It is expected that an additional \$14,570,000 will be needed for construction in 2008.

**WA046 LJT Security Improvements**

Expenditure: \$119,505

Revenue Reimbursement: \$113,530 in federal revenue and \$2,988 in state funding

Net County Commitment: \$2,988 in PFC revenue backed Airport Capital Improvement Reserve.

An enhancement of perimeter security is needed at Lawrence J. Timmerman Airport. The existing system will be replaced by a wireless proximity card reader system, four wireless video surveillance cameras and a badging process using left over hardware from the recent security upgrade at GMIA.

WA047

**GMIA Outer Taxiway Extension**

Expenditure: \$1,987,832

Revenue Reimbursement: \$1,490,874 in federal revenue and \$248,479 in state revenue

Net County Commitment: \$248,479 in Passenger Facility Charge revenue

This appropriation will be used to construct a concrete outer taxiway around Concourse C. This will allow air traffic controllers to route aircraft on the outer taxiway during pushback operations onto Taxiway B, thereby reducing delays. The project construction will start in early 2006 and may be phased in, in order to accomplish the total work involved.

WA061

**GMIA Concourse E – Stem Remodeling and Electrical Service Upgrade**

Expenditure: \$9,230,299

Revenue Reimbursement: \$0

Net County Commitment: \$6,289,426 in Passenger facility Charge backed General Airport Revenue Bonds (GARBs) and \$3,030,873 financed by GARBs backed by airport rates and charges.

This appropriation will be used for a cosmetic renovation of the interior concourse stem including flooring, wall covering, lighting, ceiling treatments and new signage. HVAC and fire protection improvements will be made and one set of restrooms will be modified to provide compliance with current ADA requirements. A 1,200 square foot office space addition will be constructed on the concourse level above existing apron-level airline operations space.

The electrical service upgrade will involve increasing the electrical service to the E Concourse to allow for the installation of ground power and pre-conditioned air units at each gate on the concourse. This upgrade is expected to result in significant energy savings, reductions in air pollution and added emergency power.

WA072

**LJT Runway and Taxiway Crack Repair and Sealcoating**

Expenditure: \$399,168

Revenue Reimbursement: \$379,210 in Federal revenue, \$9,979 in State revenue.

Net County Commitment: \$9,979 in Airport Capital Improvement Reserve.

Funding for this project will be used to repair cracks and seal coat runway and taxiway pavement. These pavements were last treated in 1992 and 1993 and new treatment is necessary to extend the effective life of the pavement and prevent the need for more expensive repairs.

WA083

**GMIA North FBO Apron Reconstruction**

Expenditure: \$1,861,115

Revenue Reimbursement: \$1,395,837 in Federal revenue, \$232,639 in State revenue.

Net County Commitment: \$232,639 in General Airport Revenue Bonds with annual principal and interest recovered through increased rents assessed to the FBO.

The North Fixed Base Operator (FBO) apron was constructed in 1991 to accommodate smaller aircraft. For several reasons, including security concerns since September 11, 2001, larger aircraft are being served. Use of this area by these larger aircrafts is causing the pavement to fail.

This appropriation will be used to reconstruct the apron to accommodate the larger aircraft.

WA084

**GMIA Cessna Apron-Design**

Expenditure: \$417,965

Revenue Reimbursement: \$313,473 in Federal revenue, \$52,246 in State revenue.

Net County Commitment: \$52,246 in General Airport Revenue Bonds with annual principal and interest recovered through increased rents assessed to Cessna.

Project funds will be used to construct a new ramp area to be used by Cessna. Project funding is requested to improve safe operations in and around the hanger and ramp areas. This project will continue through 2006.

WA085

**GMIA West Perimeter Road Reconstruction**

Expenditure: \$460,041

Revenue Reimbursement: \$345,031 in Federal revenue, \$57,505 in State revenue.

Net County Commitment: 57,505 in Passenger Facility Charges

Funds are included for replacement of the asphalt perimeter roadway, starting from the west Fixed Based Operator and proceeding south to the east-west concrete roadway connect. Increased fuel tanker traffic from the west FBO apron to the terminal ramp has deteriorated the road greatly. The project will also include rebuilding the perimeter road security gate with new traffic loops to control gate functions.

**Highways and Bridges**

WH010

**County Highway Action Program (CHAP) South 76<sup>th</sup> Street (Puetz to Imperial)**

Expenditure: \$760,000

Revenue Reimbursement: \$608,000 in Federal revenue, \$76,000 in local revenue.

Net County Commitment: \$76,000 to be financed with general obligations bonds

Funds will be used to reconstruct the intersections at West Imperial Drive and West Drexel Road. A box culvert crossing the roadway north of West Drexel Road will also be replaced.

WH030

**Bridge Replacement Program**

Expenditure: \$2,760,000

Revenue Reimbursement: \$2,208,000 in federal revenue

Net County Commitment: \$552,000 to be financed with general obligation bonds.

Work will be done on five projects, West Forest Home Avenue over a branch of the Root River, Jackson Park Drive Bridge #586 over the North Branch of the Kinnickinnic River, West College Avenue – Whitnall Park Bridge #562, Honey Creek Parkway Bridge #779 over the Honey Creek and Honey Creek Parkway Bridge #780 over the Honey Creek.

All of these projects qualify for 80% Federal and State funding and have been approved for Federal funding by the Wisconsin Department of Transportation.

The Jackson Park Drive Bridge will require \$142,000 in 2007.

WH082

**National Highway System – West Rawson Avenue**

Expenditure: \$1,973,200

Revenue Reimbursement: \$1,578,560 in federal revenue.

Net County Commitment: \$394,640 to be financed with general obligation bonds.

This appropriation will cover the cost of design and construction of West Rawson Avenue from South 27<sup>th</sup> Street to south 6<sup>th</sup> Street in the City of Oak Creek. Seventy percent of the funding is from the County's Surface Transportation Program-Urban funds (STP-U), 10 percent is from the City of Oak Creek's STP-U funds and the remaining 20 percent match is to be provided by Milwaukee County. There is no National Highway System funding available for this project at this time.

WH083

**West Silver Spring Drive (North 124<sup>th</sup> Street to North 69<sup>th</sup> Street)**

Expenditure: \$1,112,000

Revenue Reimbursement: \$895,600 in Federal revenue.

Net County Commitment: \$216,400 to be financed with general obligation bonds.

This appropriation is budgeted for basic planning and design of the highway, bridge and traffic portions of the project. The highway portion includes reconstruction of West Silver Spring Drive from North 124<sup>th</sup> Street to North 69<sup>th</sup> Street. The bridge portion includes a deck overlay and sidewalk replacement, and the traffic portion includes traffic signal coordination and optimization.

WH201

**North Port Washington Road (Good Hope to Laramie)**

Expenditure: \$1,790,000

Revenue Reimbursement: \$1,432,000 in Federal revenue and \$179,000 in local revenue.

Net County Commitment: \$179,000 to be financed with general obligation bonds.



This appropriation is budgeted for Phase II of the reconstruction of Port Washington Road in the Village of Fox Point and the City of Glendale.

## **Mass Transit**

### **WT011 Bus Replacement Program**

Expenditure: \$2,600,000

Revenue Reimbursement: \$2,152,900 in Federal Revenue

Net County Commitment: \$447,100 to be financed with general obligation bonds.

This is the last year of a three-year bus replacement plan. This appropriation will fund nine replacement buses scheduled for delivery in March 2006.

### **WT034 On-Board Camera Systems**

Expenditure: \$1,560,000

Revenue Reimbursement: \$1,248,000 in Federal Revenue

Net County Commitment: \$312,000 to be financed with general obligation bonds.

Funds are appropriated for the retrofitting of on-board cameras for 315 buses in the transit fleet. Buses purchased before 1998 will not be included on the retrofitting schedule due to their imminent retirement. Funds will be made available from Congestion Mitigation and Air Quality Improvement Program (CMAQ) funds. If the grant is received, the purchase and installation of cameras will take place in 2006.

### **WT035 Replace Air Units at Fond du Lac Garage**

Expenditure: \$300,000

Revenue Reimbursement: \$240,000 in Federal Revenue

Net County Commitment: \$60,000 to be financed with general obligation bonds.

This appropriation will fund the replacement of three air units that heat the Fond du Lac Garage. The current units in place are 23 years old and in constant need of repair. There is an immediate safety concern as the heat exchangers and their housings are cracked and rotting posing a carbon monoxide threat.

## **Environmental Services**

### **WV009 Countywide Sanitary Sewer Repairs**

Expenditure: \$960,994

Revenue Reimbursement: \$0

Net County Commitment: \$960,994 to be financed with general obligation bonds.

Milwaukee County received a Notice of Violation/Notice of Claim from the Wisconsin Department of Natural Resources (WDNR) stating that they believed Milwaukee County to be in violation of the general permit for "Bypasses or Overflows from Sewage Collection Systems."

The State Attorney General's Office (AG) sent a proposed stipulation to the County that requires specific actions in order to avoid sanctions. Milwaukee County and 28 other municipalities are working jointly with the AG to finalize an agreed upon stipulation. Depending upon when agreement is reached, the County may begin implementation of these actions in 2005. Otherwise, implementation will begin in 2006 and succeeding years.

WV011

**Bradford Beach Storm Water Outfalls Relocation**

Expenditure: \$1,314,500 (to be financed with general obligation bonds)

Revenue Reimbursement: \$0

Net County Commitment: \$1,314,500

During the summer of 2004, Bradford Beach experienced many days when the water quality levels did not meet State of Wisconsin or City of Milwaukee standards. The University of Wisconsin-Milwaukee's Great Lakes Institute (GLI) tested storm water runoff and found elevated levels of e-Coli bacteria. The source of these bacteria was seven storm water outfalls that flow across the beach and into the lake.

In September of 2004, the City of Milwaukee requested that Milwaukee County rectify the problem. In June of 2005, DPPI-Environmental Services received a consultant report with an analysis of four alternatives to deal with the outfalls. The recommended alternative is rerouting the storm water from the eight outfalls to two larger outfalls at Picnic Point and North Point.

In addition, the City and County are working together to ensure a more dependable power source for two of the City's sanitary sewer lift stations on the east side of Lincoln Memorial Drive. Ensuring the constant operation of the sewer lifts is expected to assist in achieving better improved water quality at the beach.

This appropriation would allow for construction of the pumping station, force mains, trenching and backfills and staff time.

**Milwaukee Public Museum**

WM003

**Electrical Distribution System Replacement**

Expenditure: \$258,000

Revenue Reimbursement: \$0

Net County Commitment: \$258,000 to be financed by general obligation bonds.

This appropriation will update the electrical system at the Milwaukee Public Museum in order to address all egress lighting that is not code compliant.

Panel boards throughout the building are obsolete and malfunctioning and are no longer available from the manufacturer. The primary power transformers also need replacement because the existing components are obsolete. Failure of the transformers would interrupt the building's power supply and electrical equipment could be damaged.

The contract for the egress lighting and planning construction will begin in the spring of 2006.

## **Parks, Recreation and Culture**

**WP017 Countywide Trail and Hard Surface Renovation Program (former Asphalt Replacement Project)**  
Expenditure: \$250,000  
Revenue Reimbursement: \$0  
Net County Commitment: \$250,000 to be financed by G.O. Bonds.

Replacement of the Parks worst ranked asphalt walks and hard surfaces, as identified in the 2002/2003 system-wide assessment, will continue with this appropriation. The appropriation for 2006 is \$200,000 less than the appropriation for 2005.

**WP028 Dineen Park Aquatic Splash Pad**  
Expenditure: \$51,750  
Revenue Reimbursement: \$0  
Net County Commitment: \$51,750 in general obligation bonds.

This appropriation will be used for the planning and design of phase II, splash pad at Dineen Park. Due to the high cost of operation and repair, the Dineen Park swimming pool was identified in the 2001 Aquatic Master Plan for demolition.

In December 2004, a fund transfer was approved for the demolition of the pool in 2005. Phase II will include installing a splash pad at the location of the original pool. During the planning and design phase, additional consideration will be given to providing play equipment, courts, etc. at the park.

**WP036 Oak Leaf Trail Development-Beloit Road Underpass**  
Expenditure: \$146,910  
Revenue Reimbursement: \$117,528 in federal funding.  
Net County Commitment: \$29,382 in general obligation bonds.

In the fall of 2004, the Beloit Road Bridge was replaced and, as part of the project, a terrace underneath the bridge was constructed to accommodate a bike trail. This project would construct an asphalt path from the Oak Leaf Trail, in its current location along the Root River Parkway, to the terrace below the new bridge. Trail users will be able to more safely cross Beloit Road from the parkway using this below-grade trail.

**WP040 Mitchell Park Domes Structural Repairs and Painting**  
Expenditure: \$600,000  
Revenue Reimbursement: \$0  
Net County Commitment: \$600,000 to be financed by property tax levy.

This appropriation will begin the structural repairs as identified in the 1994 report by Graef, Anahalt, Schloemer. The repairs will include fixing the deteriorating concrete frame and apex and paint the full frame and apex of the structures.

Some of the work will require that at least a portion of the Domes be closed during these repairs.

**WP042 McCarty Park Pool Pavilion Outdoor Changing Room Renovation**

Expenditure: \$383,200

Revenue Reimbursement: \$0

Net County Commitment: \$383,200 in general obligation bonds.

This appropriation will be used to replace the men's and women's dressing rooms at McCarty Park pool. Replacing concrete slabs, shower piping and fixtures, and benches are examples of some of the work included in this project.

**WP049 Boerner Gardens Irrigation System**

Expenditure: \$107,302

Revenue Reimbursement: \$0

Net County Commitment: \$107,302 in general obligation bonds.

The Boerner Botanical Gardens irrigation system is aging and continues to experience repairs. Its replacement with an automatic system for the gardens will help eliminate many of the major repairs, will allow more staff time to maintain the gardens, control the amount of water the plants receive and allow visitors to have a better experience by not having to walk over water hoses and walking through wet paths.

This project will be implemented over a three-year period for better management of staff workload.

**WP050 Parks Infrastructure Improvements**

Expenditure: \$990,496

Revenue Reimbursement: \$0

Net County Commitment: \$990,496 to be financed by general obligation bonds.

Over the past decade, the Parks Division has completed multiple condition assessments of their buildings, HVAC systems, lighting, asphalt surfaces, etc. Additionally, the Transportation Division prepares annual or biennial evaluations of roadways, parking lots, tennis courts, multiple-use recreation trails and bridges.

This appropriation will provide funding for the following projects:

<b>Project No.</b>	<b>Project Name</b>	<b>Cost</b>
WP5024	Dineen Service Yard	\$100,000
WP5046	Lincoln Park Baseball Lighting	\$181,500
WP5047	Lake Park Stair Replacement	\$135,600
WP5048	Jackson Park Comfort Building	\$164,800
WP5049	Greene Park Water Main	\$85,700
WP5050	Boerner Bog Walk Bridge	\$153,600
WP5051	Ross Lodge Septic System	\$45,540
WP5052	Wehr Nature Center Bridge	\$52,200
WP5054	Pulaski Pool Roof Replacement	\$71,476
<b>Total Infrastructure</b>		<b>\$990,496</b>

**WP406 County-Wide Play Area Redevelopment**

Expenditure: \$299,400

Revenue Reimbursement: \$0

Net County Commitment: \$299,400 in general obligation bonds.

This appropriation will allow for the replacement of three of the five playgrounds rated D- or D. This level of funding will allow for the replacement of two Class 3 playgrounds (Lindbergh Park and Wahl Park) and one Class 2 playground (Brown Deer Park).

**McKinley Marina**

**WP513 McKinley Marina Seawall Improvements**

Expenditure: \$475,000

Revenue Reimbursement: \$0

Net County Commitment: \$475,000 to be financed by general obligation bonds.

This appropriation will be used to replace the bulkhead wall and close the boat well opening east of the Old Coast Guard Station. The bulkhead wall east of the Coast Guard Station is failing. Sections have already fallen into Lake Michigan.

Planning and design were delayed until negotiations with Honor Our Neighbors Origins and Rights (HONOR) for lease of the Coast Guard Station were completed. The lease was executed in 2005, allowing the process of integrating the seawall replacement project with the Coast Guard Station Rehabilitation project to move forward. Construction is anticipated to begin in early 2006.

**Zoo**

**WZ014 Zoo Infrastructure Improvements**

Expenditure: \$1,495,844

Revenue Reimbursement: \$0

Net County Commitment: \$1,495,844 in G.O. bonds.

The appropriation for infrastructure improvements has doubled from 2005 to 2006. The projects included in this budget include:

<b>Project Name</b>	<b>Project Cost</b>
Renovation of Animal Division Life Support Systems	\$58,000
Replacement of Hydraulic Rams and Piping in Gorilla Exhibit	\$48,000
Winter Quarters Upgrade	\$311,350
Aviary Skylight Replacement	\$287,400
Giraffe Building Restroom Renovation	\$147,384
Asphalt Replacement	\$96,500
Instant Air Conditioning in the Big Cat Country Building	\$212,610
Install Bear Shade Structures	\$95,600
Dairy Barn Public Restroom Renovation	\$133,840
Aviary Mesh Replacement	\$105,160
<b>Total Cost</b>	<b>\$1,495,844</b>

## **DHHS-Behavioral Health Division**

### **WE024      Psychiatric Hospital Alarm System Installation and Elevator Controls**

Expenditure: \$1,149,110

Revenue Reimbursement: \$0

Net County Commitment: \$1,149,110 to be financed with general obligation bonds.

This appropriation is to replace the fire alarm system and all elevator controls so they are ADA compliant in the Behavioral Health Psychiatric Hospital.

### **WE028      Replace Nurse Call System**

Expenditure: \$125,475

Revenue Reimbursement: \$0

Net County Commitment: \$125,475 to be financed with general obligation bonds.

This appropriation is to replace the 25-year old nurse call systems in ten patient units in the Behavioral Health Division Psychiatric Hospital. BHD's present plan is to replace two nurse call systems in 2006, two in 2007, two in 2008, and the remainder in 2009.

## **DPPI-County Grounds**

### **WG010      CATC "C" Building Roof Replacement**

Expenditure: \$670,395

Revenue Reimbursement: \$0

Net County Commitment: \$670,395 to be financed with general obligation bonds.

This appropriation is budgeted to replace the roof of the "C" building in the Child Adolescent Treatment Center (CATC) Complex on the County Grounds.

## **Department of Health and Human Services**

### **WS005      Marcia P. Coggs Human Services Center-Parking Lots and Garage**

Expenditure: \$672,212

Revenue Reimbursement: \$0

Net County Commitment: \$672,212 to be financed with general obligation bonds.

This appropriation is to continue the upgrade of the parking lots adjacent to the Marcia P. Coggs Human Services Center and grounds.

### **WS013      Senior Center Infrastructure Improvements**

Expenditure: \$505,842

Revenue Reimbursement: \$0

Net County Commitment: \$504,842 to be financed with general obligation bonds.

This appropriation is to replace HVAC units in two senior centers.

## **Courthouse Complex**

### **WC013 CJF Pod Workstation Replacement**

Expenditure: \$79,640

Revenue Reimbursement: \$0

Net County Commitment: \$79,640 to be financed with general obligation bonds.

Funds are budgeted to plan and design for the replacement of deputy workstations inside jail pods. The workstations have not been replaced since the Criminal Justice Facility opened in 1992. Final design and construction cost estimates will be completed in 2006 with installation in 2007 and 2008. The total cost of the project is expected to be \$863,216.

### **WC014 Courthouse Complex HVAC System**

Expenditure: \$149,500

Revenue Reimbursement: \$0

Net County Commitment: \$149,500 to be financed with general obligation bonds.

Funds are budgeted to continue a series of HVAC infrastructure improvements for the Courthouse Complex. Overall, the project consists of the airflow modification to the County Board room, cooling tower repair/replacement, replacement of mixing boxes in office areas, balancing of building air supply fans and correction of high-pressure ductwork problems. The total cost of the project is expected to be \$2,492,500.

### **WC016 Courthouse Roof Replacement**

Expenditure: \$937,878

Revenue Reimbursement: \$0

Net County Commitment: \$925,125 to be financed with general obligation bonds and \$12,750 in investment earnings.

This appropriation will allow for the third and final phase of the replacement of the Courthouse roof. The total cost of the Courthouse roof replacement project is expected to be \$4,487,193.

### **WC023 CH Complex Building Automation and Access Control Upgrade**

Expenditure: \$239,000

Revenue Reimbursement: \$0

Net County Commitment: \$239,000 to be financed with general obligation bonds.

This appropriation is provided to begin upgrading the Courthouse Complex building automation and access control system. The project consists of replacing equipment that monitors and controls the Courthouse Complex HVAC, fire and card access security systems. The total expected cost of this project is \$543,800.

### **WC028 Community Correction Center Infrastructure**

Expenditure: \$260,900

Revenue Reimbursement: \$0

Net County Commitment: \$260,900 to be financed with \$257,300 in general obligation bonds and \$3,600 in investment earnings.

This appropriation will allow for the replacement of heating units on the fourth and fifth floors. Only the most pressing operational issues are being addressed for this facility, as a 2005 report recommended that the facility be demolished and replaced.

WC040

**CJF Inmate Elevator Upgrade**

Expenditure: \$708,324

Revenue Reimbursement: \$0

Net County Commitment: \$698,674 to be financed with general obligation bonds and \$9,650 of investment earnings.

This appropriation will allow for the upgrading of inmate elevators in the Criminal Justice Facility. There are four elevators that are in use 24/7. Equipment upgrades include the replacement of elevator operating controls and cables. The total cost of this project is expected to be \$780,324.

WC046

**Courthouse Security Equipment**

Expenditure: \$125,000

Revenue Reimbursement: \$0

Net County Commitment: \$125,000 to be financed with general obligation bonds.

This appropriation will allow for the replacement of security equipment throughout the Courthouse Complex. Security equipment, including X-ray imaging and walk-through magnetometers are deteriorating faster than expected due to heavy use. Two machines will be purchased through Government Services Administration contract in 2006. Homeland Security aid and other grants will be sought to reduce the cost to the County. The total project cost is expected to be \$200,000.

WC048

**Courthouse Annex Demolition and Parking Lot Construction**

Expenditure: \$5,260,000

Revenue Reimbursement: \$0

Net County Commitment: \$5,260,000 to be financed with \$5,188,600 in general obligation bonds and \$71,400 in investment earnings.

This appropriation will allow for the necessary asbestos abatement, surface lot construction and demolition of the Courthouse Annex. The County has an unexecuted agreement with the Wisconsin Department of Transportation (WisDOT) to have WisDOT pay \$5.8 million of the \$6.8 million in costs for the asbestos remediation, Annex demolition, construction of the retaining wall and surface parking lot. The County would reimburse the State with \$4 million in land sale proceeds from the Federal Highway Authority (FWHA) for the sale of the Park East land. The County would pay the \$1.8 million balance of the \$5.8 million paid by the State upon completion of the Marquette Interchange Project in late 2008 or early 2009. There is a chance that the \$1.8 million reimbursement could be financed with proceeds from the sale of the Park East land.

The total cost of the project is expected to be \$7,060,000.



## House of Correction

### WJ014      **HOC Infrastructure Improvements**

Expenditure: \$246,101

Revenue Reimbursement: \$0

Net County Commitment: \$246,101 to be financed with general obligation bonds.

This blanket appropriation for infrastructure improvements at the HOC includes:

- A steam line to the Adult Correctional Center to regulate building heat
- An exhaust system and air fan in the powerhouse
- A new control panel in the Lotter Building and the 600-bed facility
- A new water softener in the Lotter Building to double capacity
- Replacement of the dealkalizer in the Powerhouse.

### WJ032      **HOC Replace Boiler Room Condensate Pump and Tank**

Expenditure: \$167,300

Revenue Reimbursement: \$0

Net County Commitment: \$167,300 to be financed with general obligation bonds.

Due to failing natural gas units, the Lotter Building is being converted from natural gas to steam heat. A larger condensate pump and tank is necessary to accommodate the change. The conversion is expected to save on utility costs.

### WJ034      **Ventilate Tailor Shop**

Expenditure: \$288,398

Revenue Reimbursement: \$0

Net County Commitment: \$288,398 to be financed with general obligation bonds.

Ventilation is necessary at the tailor shop for proper heat, air conditioning and air exchange. The current situation is in violation of OSHA regulations and presents an unhealthy work environment for the inmates and staff who work in the area.

### WJ035      **Replace Air Handling Unit in Cellblock**

Expenditure: \$58,296

Revenue Reimbursement: \$0

Net County Commitment: \$58,296 to be financed with general obligation bonds.

The existing air handling unit in the maximum-security cell block is obsolete and presents the potential for building code violations and health and safety issues.

### WJ038      **Replace Hot Water Heaters**

Expenditure: \$271,932

Revenue Reimbursement: \$0

Net County Commitment: \$271,932 to be financed with general obligation bonds.

The water heaters in the Adult Correctional Facility are rusted and obsolete. New instantaneous heaters are requested.

**WJ039 HOC Replace Ice Builder**  
Expenditure: \$115,000  
Revenue Reimbursement: \$0  
Net County Commitment: \$115,000 to be financed with general obligation bonds.

The ice builder is used to quick chill food prepared for inmate service at the HOC, the CJF and the CCC. The current ice builder is leaking Freon which must be replaced at an approximate monthly cost of \$5,000.

#### **Other County Agencies**

**WO021 Milwaukee County Public Art Program**  
Expenditure: \$69,542  
Revenue Reimbursement: \$0  
Net County Commitment: \$52,157 to be financed with general obligation bonds and \$17,386 in property tax levy.

Funds have been appropriated for eight eligible public art projects. The eight projects include: North Port Washington Road (Good Hope Road to Laramie Lane), West Forest Home Bridge – Branch of Root River, West College Avenue – Whitnall Park Bridge, Honeycreek Parkway Bridges #779 and #780, South 76<sup>th</sup> Street – Parkview to Oklahoma, Milwaukee County Historical Society and the Marcia P. Coggs Human Services Center – North Entrance.

**WO026 Public Safety Answering Point (PSAP)**  
Expenditure: \$200,000  
Revenue Reimbursement: \$200,000  
Net County Commitment: \$0

The Milwaukee County Board designated the Sheriff's Office as the Public Safety Answering Point for enhanced 911 services. An appropriation of \$200,000 is included to upgrade the Sheriff's communication center with funding provided via State grants.

**WO029 Milwaukee County Historical Society Renovation – Phase II**  
Expenditure: \$1,745,315  
Revenue Reimbursement: \$872,658 in matching funds from the Historical Society  
Net County Commitment: \$872,658 to be financed with general obligation bonds.

The second phase of the project will include the replacement of the current wheelchair lift with a full-service elevator that will provide access to all three floors of the Historical Center. This appropriation will also allow for the relocation of the communicating stairway to the second floor, and the renovation of the lower level toilet rooms to meet the Americans with Disabilities Act requirements.

These elements of this second phase were selected based on a condition assessment report prepared in 2003 by Vanderweil Facilities Advisors. The assessment found all of these project components to be "potentially critical." In

addition, relocation of the stairway and replacement of the wheelchair lift will allow for the installation of a reception desk and gift shop counter and potentially generate more revenue through more building rentals and gift shop sales. This would be a new opportunity for the Historical Society.

The Historical Society is anticipating a third phase to the project. Fund raising will begin after completion of Phases I and II.

WO030

**Countywide Access Road Improvements Program**

Expenditure: \$612,665

Revenue Reimbursement: \$0

Net County Commitment: \$612,665 to be financed with general obligation bonds.

Appropriations will fund three projects in 2006: a complete roadway reconstruction of Honey Creek Parkway from 76<sup>th</sup> Street to Beloit Road, a complete park drive reconstruction of Greenfield Park Roadway from S. 118th Street to Root River Parkway and Lincoln Avenue, and the replacement of two parking lots at the House of Correction.

Individual departments submit roadway and parking lot projects to DPPI for consideration. DPPI performs a pavement rating based on traffic volume, condition of pavement, overall riding comfort, and drainage conditions.

WO036

**Marcus Center - Uihlein Hall Dimming System Replacement**

Expenditure: \$71,700

Revenue Reimbursement: \$0

Net County Commitment: \$71,700 to be financed with general obligation bonds.

This project includes a series of upgrades to the Marcus Center's electrical substation. These upgrades include infrared and corona scans, replacement of old insulators, bushings and cable boots. The installation of power factor correction capacitors will continuously reduce electrical utility costs for the facility.

WO112

**Fleet Equipment Acquisition**

Expenditure: \$2,251,500

Revenue Reimbursement: \$0

Net County Commitment: \$2,251,500 of which \$1,901,500 is to be financed with general obligation bonds and \$350,000 is to be financed with Passenger Facility Charge (PFC) revenue.

Funding of \$1,901,500 in general obligation bonds is requested for the replacement of general service fleet vehicles for Highway, Sheriff, Parks, District Attorney's Office, Behavioral Health Division, and the Zoo. Funding of \$350,000 is request in PFC revenue to support the purchase of airport vehicles.

WO201

**Enterprise Server**

Expenditure: \$513,048

Revenue Reimbursement: \$0

Net County Commitment: \$513,048 to be financed with \$313,048 from general obligation bonds and \$200,000 in sales tax revenue.

This appropriation is budgeted for storage and back up system infrastructure and a billing system for the Highway and Transportation Divisions within the Department of Parks and Public Infrastructure (DPPI).

The project consists of the following:

<b>Subproject Name</b>	<b>Cost</b>	<b>Financing</b>
Hwy Maintenance and Transportation Billing System	\$200,000	Sales Tax Revenue
Centralized Disk to Disk Back Up System	\$117,717	G.O. Bonds
Storage Area Network	\$195,331	G.O. Bonds

WO205

**Fiscal Monitoring System**

Expenditure: \$350,000

Revenue Reimbursement: \$0

Net County Commitment: \$250,000 in sales tax revenue and \$100,000 in property tax revenue.

Funding for this project will be used to continue the development of a monitoring system to improve fiscal reporting for more efficient, effective and timely decision-making.

An appropriation was approved in 2002 to develop an Access database to be used for fiscal monitoring of capital projects. The database provides departments with a check and balance system against Advantage financial system software as well as enabling staff manages historical data on capital projects. However, more work needs to be done to streamline the system.

The appropriation will be used to pay for consultant services for programming and other needs, and business software to provide the tools to improve the efficiency and effectiveness of fiscal budgeting, analysis and reporting. Also, IMSD staff, along with the consultant, will look to use software tools to decrease the reliance of paper reporting and utilization.

WO301

**Countywide Technical Infrastructure**

Expenditure: \$962,214

Revenue Reimbursement: \$0

Net County Commitment: \$962,214 in general obligation revenue.

This appropriation will be used to replace computer equipment countywide. An initiative to consolidate purchases of computer equipment under one capital project, to further the centralized management of information technology (IT) resources and improve the tracking of IT expenditures began in 2001. Since

then, departments have submitted requests for computer equipment to the Information Management Services Division (IMSD).

In 2002, IMSD developed a computer replacement schedule, identifying the models and ages of the personal computer inventory. The schedule for 2006, which is year four of the plan, provides funding for 566 information technology pieces, which includes computers, tablets, printers and network equipment. Also scheduled for replacement in 2006 are servers that are past their useful life and, therefore, are unable to effectively support the current operation systems in use at Milwaukee County.

**WO411 Mobile Data Computer**

Expenditure: \$125,840

Revenue Reimbursement: \$0

Net County Commitment: \$125,840 to be financed with general obligation bonds.

This appropriation represents the third and final year of a three-year replacement cycle for mobile data computers for use in squad cars. For 2006, 13 units will be purchased at a cost of \$9,680 each.

**WO419 CJF Property Conveyor Belt**

Expenditure: \$150,000

Revenue Reimbursement: \$0

Net County Commitment: \$150,000 to be financed with general obligation bonds.

The existing property conveyor belt requires an estimated \$1,108 in annual maintenance to address malfunctions. Furthermore, employees use ladders during malfunctions of the conveyor belt, presenting the potential for injury and worker's compensation claims.

**WO500 War Memorial Center Improvements – Waterproofing and Masonry Repair**

Expenditure: \$1,378,100

Revenue Reimbursement: \$0

Net County Commitment: \$1,378,100 to be financed with sales tax revenue.

In 2005, \$455,000 was approved to provide for the planning, design, bidding and construction of the first phase. The 2006 appropriation of \$1,378,100 is required to complete the first phase of work before April 2006. The next phase will be replacement of the boiler and related HVAC equipment upgrades in 2007.

**WO860 Countywide Handicapped Accessibility Program**

Expenditure: \$346,437

Revenue Reimbursement: \$0

Net County Commitment: \$346,437 to be financed with general obligation bonds.

This appropriation is to provide for facility accessibility requirements in compliance with the Americans with Disabilities Act (ADA) for designated County facilities. The appropriation would complete the highest priority projects established by the Office for Persons with Disabilities.

WO870

**County Special Assessments**

Expenditure: \$300,000

Revenue Reimbursement: \$0

Net County Commitment: \$300,000 to be financed with sales tax revenue.

Funds are budgeted to pay special assessments levied on the County by local municipalities.